

THE
GERMAN REVOLUTION
AND AFTER



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THE GERMAN REVOLUTION AND AFTER

CHAPTER I

GERMAN SOCIALISM IN THE WORLD WAR

THE CAUSES OF VOTING THE WAR CREDITS

Two things must be borne in mind properly to appreciate the essence, the origin, and the course of the German Revolution: firstly, that the Revolution was not the conscious rising of a majority of the people against the old political and social system, but only the consequence of the military collapse; and, secondly, that when this collapse, which gave birth to the Revolution took place, there existed no united Socialistic Proletariat, ready for action, but a Social Democracy, divided by the disputes over war policy, and distracted by the most bitter internal feuds.

The military collapse brought the whole power of the State into the hands of the Proletariat at one stroke. In consequence of the war's heritage,—economic paralysis, the dissipation of

the means / of sustenance and raw material, the demobilization of many millions of soldiers, enormous unemployment, the necessity of transforming war economy into peace production, the Peace Treaty, etc., the task of the Socialist Proletariat, which had now attained to power, would have been, in any case, gigantic and enormously difficult. If German Social Democracy had been united, both in organization and outlook, it would have been possible, in view of the strength and ripeness for organization of the German working class, to make use of the political power which was so suddenly thrust upon it for the securing of Democracy, and the creation of, at least, a foundation of a new order, which would have been unshakable. But it was the tragic destiny of German Socialism and of the German Revolution that such unity neither existed before nor was created by the Revolution. On the contrary, when, after the victory of the Revolution, the two strongest Socialist groups came together for the common exercise of governmental power, the sharpest divergence of outlook immediately manifested itself in all fundamental questions of home and foreign policy, and this antagonism, after a few weeks of the most violent internal struggles for mastery, led to a breach, and the resumption of the fiercest open hostilities.

These antagonisms had existed even before the war inside the ranks of the Social Democracy, however imposing its external unity, as is proved by the embittered discussions between the Right and the Left, between "Radicals" and "Revisionists," which, since the end of the previous century, had

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proceeded uninterruptedly in the Press and at conferences.

A section of the Social Democratic Party had gradually deviated in its outlook from the principles of the class struggle, and had moulded its policy more and more upon the lines of adaptation to the needs of bourgeois society and the capitalist class State.

After the outbreak of the World War, this tendency, which was also fostered by leading Trade Unionists, gained the upper hand, while the Left Wing was hampered in its activities by the Press censorship and restrictions on speech and meetings. The majority openly avowed itself in favour of Nationalism and Opportunism.

The suppressed and persecuted minority was thereby impelled to offer all the more strenuous opposition to the war policy of the majority. But, after the victory of Bolshevism in Russia, an extremist group, which aimed at transplanting into Germany the methods of Russian Bolshevism, was organized within the ranks of the minority. Thus, at the outbreak of the Revolution in Germany, there were three Socialist tendencies, embodying opinions as to the objects and methods of revolutionary policy quite incompatible one with the other.

From this unhealthy condition there resulted a fierce internecine strife among the various Socialist Parties, instead of a united proletarian and socialist struggle against the reaction and Capitalism.

The war policy of the German Socialist majority, the voting of the war credits, the recognition of the party truce, and the compliant and uncritical

support of the German governmental policy during the war by the German "National Socialists" created, not merely indignation, but also animosity in the Socialist International. Those foreign Socialists who were revolutionary and internationalist in sentiment could not understand this transformation of the German Social Democracy, which had always been regarded as the advance guard of the Socialist International. The solution of the apparent enigma is to be sought partly in the rapid growth of the German Social Democracy. "Nowhere had it (Socialism) advanced at such a pace as in Germany, where the number of social democratic electors had increased by one million between 1907 and 1912. Nationalism became all the stronger. The more a Socialist Party tended to become a mass party, and the more rapid its growth before the war, the less chance had there been to train its supporters."¹ But a mass party needs at the same time a complicated machinery of organization, a numerous staff of officials and functionaries, a strong party bureaucracy. The party possessed numerous newspaper establishments, publishing departments, bookshops, and secretariates. Many hundreds of editors, business managers, correspondents, and secretaries were supported by the party institutions, and the party, which in its humble beginnings had borne the character of an enthusiastic sect, and consisted of a community of pentecostal enthusiasts, "was now governed by correct officials, cool, sober, and experienced veterans of the party life, who wisely shook their heads over all daring enterprise and

¹ Karl Kautsky : "Wie der Weltkrieg Entstand."

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theoretical fanaticism." The deputies had become "politicians," especially the "practical men" who had been trained in the school of the trade unions. In the slow, monotonous pace and modest dimensions of their organizations, they had completely lost the sense of historical proportion and the measure of the possibilities of historical development. Finally, the editors, the pioneer corps of the party, were for the most part absorbed in the technical details of their calling."¹

All these considerations applied, in a still greater degree, to the trade union bureaucracy. How could a party so constituted, and controlled by such leaders, have withstood honourably the formidable test of the World War?

The refusal of the war credits and an assertion of the class standpoint and of international principles would have threatened the whole structure of organization of the party and the trade unions, and, in addition, the personal security and the very existence of the officials.

To run the risk of such dangers would have necessitated a degree of idealism and revolutionary fervour, of which the party, wholly adapted to the labour of peaceful propaganda, was not capable.

As the political and trade union leaders of the German Proletariat were neither able nor willing, on the occasion of an outbreak of war, to take up the attitude of opposition dictated by Socialist principles, in order to pacify their own consciences, and still more the consciences of the proletarian masses, they needed a saving ideology to excuse

¹ H. Ströbel : " Die Kriegsschuld der Rechtssozialisten."

their capitulation before Nationalism and Imperialism. This pretext was discovered in the legend of the defensive war, in the assertion that Germany had been maliciously attacked by the Entente, and especially by Russia, and consequently found herself on the defensive against freedom-slaying Czarism. As the Fatherland was menaced by a coalition of superior opponents, the duty of defending the Fatherland devolved on German Social Democrats, which duty was completely in accordance with the obligations of an international social democracy. This conception, indeed, contrasted sharply with that accepted by Bebel and Liebknecht in the year 1870, which for decades had been considered correct and exemplary in the German Social Democracy. From the voting of war credits, Bebel and Liebknecht had abstained, although they believed, in consequence of Bismarck's skilful tactics, that Napoleon III had provoked the war. At that time they had declared: "As opponents on principle of every dynastic war, as Social Republicans and members of the International Working Men's Association, which wars against all oppressors, without distinction of nationality, and seeks to unite all oppressed into one great league of peoples, we can neither directly nor indirectly support the present war." It is true that at that time the representatives of the Lassallian group, with Schweitzer at their head, had voted for the war credits, and that protests against Bebel's and Liebknecht's abstentions had been made even in the ranks of the Eisenachians¹ themselves.

¹ Bebel's followers.

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But Bebel declared forty years later, in his "Memoirs," that he had no regrets whatever for the attitude he adopted on that occasion. On the contrary, if at that time the real origins of the war had been known to him, he would have been obliged to adopt a severer attitude. "We would not have, as it happened, abstained from voting the first supplies for the war; we should have been obliged to vote directly against them." The protest against the failure to vote the war credits was only a transitory feeling within the party, for after a short time the attitude adopted by Bebel and Liebknecht was recognized to have been the right one. In fact, before the year 1914 this attitude appeared to the immense majority of the German Social Democracy as unquestionable, and the idea of voting war credits as monstrous. Marx and Engels themselves approved the abstention of Bebel and Liebknecht at the time, and immediately after the fall of Bonaparte brought the entire Social Democratic Movement into line against the war. Moreover, before the late war, international congresses had laid down definite principles to guide the conduct of the Social Democracy of the whole world. In these resolutions of Stuttgart and Copenhagen there was no mention of voting war credits and the duty of defending the Fatherland, but it was declared to be the duty of Socialists of all countries, in the event of a war, to utilize the situation created by the war to achieve the overthrow of the class domination of Capitalism.

The pretext of the German party majority that they were concerned with a defensive war, forced

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upon them by Russia, was all the more peculiar in view of the Austrian policy of provocation, and its approval by Germany. Even without the knowledge of the terribly incriminating German and Austrian secret documents, especially those published since the Revolution, the final responsibility for the outbreak of war was, at that time, clearly enough to be seen. That the imperialistic greed of all the rival countries was the fundamental condition of the war, and that, from this standpoint, a full measure of guilt belongs to the ruling class of every individual country, does not minimize the heavy guiltiness of those governments which first cast the accumulated combustibles to the bright flames. The kindling torch was the Austrian ultimatum to Serbia, the war against Serbia which was so frivolously begun, the whole criminal German-Austrian *va-banque* policy, which, in accordance with the political constellation of Europe, was bound to bring into action Russian Imperialism. This insanely provocative policy of Germany and Austria was daily attacked in the sharpest terms by the whole of the Socialist Press of Germany, right up to the declaration of the state of siege.

When, however, Germany answered the Russian mobilization with the declaration of war, and the war reared up in all its fearsomeness before the Socialist leaders, criticism became dumb, the Socialist and Internationalist conscience was stilled, thoughts were only of individual safety, of one's own country, one's own party, and, in many cases, of one's person. The sacrifices imposed by the war were indeed borne with astonishing stoicism,

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but for the heroism of resistance to the war madness the necessary courage was lacking.

THE NATIONALIST POLICY OF THE MAJORITY

In a pamphlet, published at the end of October, 1914, Trotsky, in pregnant sentences, described what, in the judgment of an impartial Socialist, were the driving forces of the war, and what was their outcome: "Regarded from the historical standpoint, the young German Imperialism appears as a thoroughly aggressive phenomenon. Thrown up by the feverish development of national industry, German Imperialism disturbed the old relations of power among the States, and played the first fiddle in the armaments race. From the standpoint of world politics, the present moment seems to be the most favourable opportunity for Germany to deal a crushing blow to her competitors—which fact does not, of course, diminish by one iota the guilt of Germany's enemies. The diplomatic account of the events leaves no doubt as to the leading part of Germany in the Austrian provocation; that the Czarist diplomacy appeared in this transaction to be even baser in no wise alters the matter. For reasons of strategy the German war plan was based upon an impetuous offensive. Eventually the first tactical step of the German armies proved to be the violation of Belgian neutrality. If all this is a defensive measure, what is aggression?"

Now, the spokesmen of the German party majority were equally ready to announce the war to be a defensive war on the part of the Central Powers, to

indict Russia and England as the incendiaries, and to extenuate and excuse the diplomatic and military actions of the German Government. The special investigator of the Right Socialists into the question of war guilt was Eduard David, whom the party executive also entrusted with the task of making the official speech upon the same matter before the Dutch-Scandinavian Peace Committee. In this speech, David was bold enough, in the middle of the year 1917, to answer with an energetic "yes" the question of whether the war was really a defensive war for Germany. The intellectual instigators of the Serajevo outrage were located in Belgrade and Petersburg, and the bomb which exploded the powder magazine had been thrown by the Entente.¹

While to-day even the father of German naval competition and the ruthless "U" boat warfare, Tirpitz, in his "Recollections" has only biting mockery for the both criminal and childish policy of Bethmann Hollweg to "localize" the question of the punishment of Serbia, David found this policy, which inevitably led to the catastrophe, quite in order.

Already, in the spring of 1915, David had developed into a system the whole of this newly formulated "socialist-nationalist" theory of the responsibility for the war and the duty of defending the Fatherland.²

In this book, David contrasted sharply the peaceful German Government, resorting to arms only from necessity, and the encirclement policy,

¹ Eduard David: "Wer trägt die Schuld am Kriege?"

² Eduard David: "Die Sozialdemokratie im Weltkrieg."

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the imperialist mania of conquest, and the lust for aggression of the Entente Governments. Russia is the "Colossus formed of accumulated spoils"; England the "Despot of the world market"; the Triple Entente the "world partitioning syndicate"; whereas the imperialistic appetite for expansion of Germany and Austria was defended as being perfectly legitimate.

If, however, the German cause was a righteous one, according to the opinion of David and the Socialist majority, the duty of defending the Fatherland was certain quickly to be transformed into war enthusiasm and will to victory. This natural psychological process rapidly found expression in the party Press. In an article entitled "Unity and Discipline," which was printed by a great number of the Social Democratic journals, it was urged that the third of the people, which formed the Social Democracy, must utilize its strength on behalf of the war, "at least with not less resolution" than the bourgeois two-thirds. And the organ of the General Commission of the German Trade Unions stated that, as the defence of the country was in question, the party, with its whole strength, must stand by the nation. But this tone was very mild in comparison with the trumpet flourishes which sounded from many party organs, and proclaimed a German victory to be the aim of the war.

Trotsky wrote in the pamphlet already mentioned: "Yet we are told that the German Social Democracy did not strive after victory. In the first place, the answer must be made that this

assertion is not true. What the German Social Democracy desired we were told by its Press. With two or three exceptions, it told the German worker day after day that a victory for the German arms would be his victory too." Unfortunately, Trotsky has hardly exaggerated, as will be shown by a few extracts from the Social Democratic journals during the first weeks of the war. Thus the "Reussische Tribune" wrote: "We stand by our compatriots to the death. A new spirit is surging through Germany." And the "Chemnitzer Volkstimme": "All of us are now dominated by the one question: Shall we be victorious? And our answer sounds 'yes.'" In the "Weimarischen Volkszeitung" one reads: "Now the nation itself is threatened by the hordes of the bloody Czar, with whom misled France and capitalist England are allied. A life and death struggle has begun. We must and we will come out of the test with honour." The "Magdeburger Volkstimme" wrote: "Both the political and economic interests of the working class demand that Germany shall come out of the fearful struggle as the victor. Therefore, the more than two million Social Democrats who have gone into the field, will fulfil their duty to the last breath." The "Dortmunder Arbeiterzeitung" expressed the firm confidence "that during the coming days the whole greatness and might of Germany would manifest itself to the world." Yet more definite was the "Rheinische Zeitung": "Even the German working class cannot desire a peace which would be nothing but a mere truce. So long as the Muscovite

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power is not chained to the earth, there can be no end to a war which is to free Europe from Asia, and eject Russia from European politics."

In this last expression of a Social Democratic journal the demand for victory reveals itself already as an acceptance of German Militarism and Annexationism.

This was also confirmed by the one-time Social-Democratic Deputy, Hanisch, who has latterly been Prussian Minister of Education. In a work which appeared in 1916 he remarked that he quoted the passage we have cited from the "*Rheinische Zeitung*," "because it was so characteristic of peace aims, as it represented the views of almost the entire Social Democratic working class at the time." In fact, many Majority Socialists combined enthusiasm for the war and eagerness for victory with dreams of world reconstruction. Russia was to be broken up into its constituent States, and rendered politically impotent, England was to be deprived of her mastery of the sea, Belgium, Poland, and other eastern border States were to be dismembered and, with Austria, the Balkans, and Turkey, linked up with a powerful German Empire. Especially during the first apparently overwhelming successes of the German arms numerous Social Democratic editors and deputies made no secret of their annexationist inclinations. At a meeting of the supreme executive body of the Social Democratic Party, on September 27, 1914, Leinert asked: "How can anyone assume that this world war will end without annexations?" The Reichstag Deputy, Thone, declared: "Just as we were powerless to

prevent the war, so shall we be powerless to prevent annexations." And the Bavarian representative, Mauer, was even of this opinion: "The feeling in favour of annexations is understandable among people who have seen how many thousands have shed their life's blood." The German National Socialists were particularly enamoured of the "freedom" of Poland. At the party executive meeting of March 7, 1915, the Reichstag Deputy, Schöppflin, raised the point: "How does the Polish question stand? Apart from the subjugation of Russia, the independence of Poland is inconceivable." The liberation of the Poles who were under the domination of Prussia was not thought of in this connexion as a remote possibility. At the party executive meeting of June 30th of the same year Noske thought it was questionable whether it would be proper to restore Belgium in the old form. At the same meeting Haase declared "how necessary was the appeal which I, with Bernstein and Kautsky, published, has been shown in a surprising manner by to-day's discussion. Noske, Beims, Leinert, and Sinderman have pronounced more or less in favour of annexations."

These annexationist and imperialistic admissions of leading German Social Democrats were in no sense temporary confusions and aberrations; they corresponded with the ideas put forward by the theorists of this school in books and pamphlets. At the head of these pioneers of the German Socialist Imperialism which arose after the outbreak of war was Heinrich Cunow, who for twenty years, in conjunction with Kautsky, had carried on the

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struggle against militarism and imperialism in the chief organs of the party, the scientific review "Die Neue Zeit" and "Vorwaerts." As late as the first days of August, Cunow published, as editor of "Vorwaerts," a protest against the voting of war credits, which was remitted to the party executive. But when the stormy progress of the German armies through Belgium and North France seemed to augur a German victory, the soul of the pacifist and anti-imperialist Cunow underwent a transformation. History appeared to be taking a different course from that which the Marxian section of German Social Democracy had hitherto conceived to be desirable and necessary. Although the latter had resisted with all its power the competition of armaments and the policy of capitalist expansion and conquest, and had urged the political and economic reconciliation of nations, now, in Cunow's judgment, the outbreak of the world war had proved that Socialist policy had been based on illusions. This was a mistake; the Socialist party must quickly unlearn, and adapt its theory and practice to real historical necessities—that is to say, recognize the capitalist war policy of Germany and assist it with all its strength. In a brochure which appeared a few months after the outbreak of war Cunow admitted the change in his opinions. The anti-war Left Wing of the party had asserted that the German Social Democracy was split in twain because it had supported the German war policy. It was not the German Social Democracy which had collapsed, but only its false political theories. Up till August 4th, Social Democracy had felt itself obliged to

resist the struggle of the nations for imperial power, but the actual forces of world events had been the stronger. History had taken another course, and the arbitrament of war for the division of world political power had become a stubborn fact. Could the march of events be ignored or condemned as wrong, as was done by the German Opposition? No, the opposite step was the right one: history is always right as against ideology, and the Socialist theorists and politicians have merely to correct their opinions in accordance with the real sequence of events. If formerly we strove to prevent the advent of Imperialism, henceforth we must recognize it as an inevitable phase of Capitalism, demonstrated by the most recent events of history. For the rest, "the right of nations to political independence" was only liberal and democratic ideology.

These opinions of Cunow, although embellished with the lore of historical materialism and urged with all kinds of sham Marxian arguments, constituted the most lamentable surrender, not only of all political principles, but also of any far-sighted conception of history. The true historical investigator bases his theory upon the evolutionary tendencies of a whole epoch; Cunow, on the contrary, was obsessed by the first events of the war, which deluded him into the belief that a glorious era of German Imperialism had begun. And the practical demands which Cunow formulated implied that the German working class should regard the imperialistic policy of its rulers as its own opportunity, and utilize it for itself to the

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best of its ability. And what Cunow is here ashamed to avow, a kindred soul, Paul Lensch, formerly editor of the Left Socialist "Leipziger Volkszeitung," advocated all the more ingeniously in his writings. This "unlearner" greeted with jubilation the world war, which would achieve the emancipation of the German working class—emancipation from obsolete political and social ideas, even of its former principles—from its "tactical" position, especially in the struggle with the ruling classes, with militarism and imperialism. "In this world war," asserted Lensch, "Germany completes its 'Revolution.'" In this statement Lensch does not mean the proletarian, socialistic Revolution. What he meant by the German Revolution was the war itself, the militarist call to the German people, the German victory, and the political and economic reorganization imposed upon the world by this victory, "At the head of the German Revolution stands Bethmann Hollweg," wrote Lensch, who imagined that Bethmann Hollweg would destroy England's power and raise Germany to the position of the foremost state in Europe. "A Napoleon could not overthrow the English domination, but a Bethmann Hollweg has accomplished it," boasted Lensch on May 16, 1916.

Germany represents a more progressive social principle than England. "The cause of Democracy and Socialism is indissolubly bound up with the fate of Germany." With the victory of Germany over England, whose working class was backward and individualist, whose national feeling was miserably stunted, there approaches "a new epoch

and a new social ideal, the socialized community." Not the struggle against the German reaction, but the closest co-operation with German Militarism and Capitalism, will confer upon Germany and the world the blessings of this nationalist-imperialist Socialism.

Conrad Hanisch gave expression to the same trend of ideas in his writings already mentioned. In his first pamphlet, which appeared in 1914, he asserted that "not only the present interests but also the future interests of international Socialism urgently require the victory of Germany." "To jeopardize the future of German Capitalism and therewith the future of the German Labour Movement would also jeopardize the future of International Socialism." And in the book which appeared in 1916 he wrote, quite in the spirit of Lensch, that the victory of the English coalition would be the victory of obsolete forms of Capitalism over its most modern type, and equally the victory of proletarian backwardness over proletarian (Prussian Militarist) Socialism. "England in the war represented the reactionary, and Germany the revolutionary, principle." And he confessed that, after attaining to this lofty conception, after seeing "living Germany triumph over the dead ideology of Internationalism," he had felt unspeakably relieved, and he could with his whole heart, and with a good conscience and without any risk of becoming a traitor thereby, join in the swelling battle song, "Deutschland, Deutschland, über Alles."

To such thoughtless gushings the arid bureaucrats, devoid alike of intellectual and moral needs, who

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for the most part sat on the party executive, did not descend; they contented themselves with voting the war credits, rendering service to Bethmann Hollweg, and suppressing any opposition which arose in the party to the nationalist policy of the Parliamentary group and the party bureaucracy. Even Ebert was so shortsighted as to recommend warmly the circulation of the writings of Lensch, Hanisch, and Cunow by means of the party machinery, and Scheidemann, in his Reichstag speech of April 6, 1916, committed the imprudence of endorsing the fundamental theses of Bethmann Hollweg, who had spoken before him, that the Europe which would arise out of the war "would in many respects differ from the old, and that after such gigantic historical events the *status quo ante* would no longer be a practical question."

Scheidemann declared that he who imagined "that after all these events not a solitary boundary mark would be displaced must be a child in politics." Perhaps Scheidemann had in mind the self-determination of Alsace Lorraine and Prussian Poland? Not in the least, for the Majority Socialists repudiated the notion of such concessions with the greatest indignation right up to 1918. The alteration of boundary marks at the expense of opponents was not regarded so severely. Scheidemann stated in the same speech: "If we succeeded in liberating the Poles from Czarism the whole civilized world would rejoice." The independence of the Flemings also seemed to Scheidemann a question to be discussed.

How completely the Socialist majority of Germany had absorbed the imperialistic modes of thinking is proved by the attitude it adopted towards the endeavour to create a great political and economic Empire, composed of a close alliance between Germany, Austria, and Turkey. The liberal politician, Friedrich Naumann, had advocated this idea with nationalist enthusiasm and poetic imagery in his book "Central Europe." In a series of articles, which were published in book-form at the beginning of 1916, Kautsky rejected this national and economic alliance of the nations of Central Europe as an imperialistic project, which could only accentuate cosmopolitan rivalries and nourish the seeds of fresh wars for world power.

As an alternative the Socialists put forward the idea of peaceful friendship and free commerce with all nations. But Kautsky's struggle against the infection of imperialistic bacilli was unavailing.

On January 9, 1916, a conference of the German and Austrian party and trade union leaders was held in Berlin. On account of its informal nature this Conference could not take any decisions, but the overwhelming majority of those present recorded their opinion in favour of an Austro-German Customs and Economic Union, linking up with the Balkans and Turkey; in short, Naumann's idea of Central Europe. The Austrian spokesman at the conference, Renner, stated that "the great fundamental idea of Naumann's Central Europe is also our fundamental idea. The greater the area of the economic sphere the better. . . . If it should become possible for

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Bulgaria, the Balkans, and Turkey to be drawn into the combination, we ought to support such a movement with all our energy." The spokesman for the German Party, Cunow, declared himself to be in full agreement with this view. The deputy Cohen noted with satisfaction that by means of such a league "the overland route from Berlin to Bagdad would be established, and therewith the imperialistic yearnings for world power of German politicians would be appeased." And Eduard Barth pleaded that Holland, Switzerland, and the Scandinavian countries might also be brought within the Central European orbit. Ledebour and the "Vorwaerts" representative, Ernst Meyer, uttered vain warnings against the imperialist project. Meyer's objection, that the Balkan countries and their workers must be allowed the right of political and economic self-determination was answered with the epithets "Particularist," "Montenegrin," "Parish Politics." The majority were thinking in terms of Central Europe and susceptible only to imperialistic impressions.

THE STRUGGLE AGAINST THE WAR POLICY OF THE PARTY MAJORITY

Only those who know how deeply the party majority, and especially the majority of the party officials, were imbued with Nationalism and Imperialism are able to understand the unspeakable indignation and bitterness with which the minority which had remained faithful to the old Socialist

and international tradition took up the, at first, almost hopeless struggle against the war psychosis ; and this bitterness was constantly aggravated by the increasingly ruthless attempts of the majority to stifle the opposition.

Those who opposed the war and the war policy of the German Socialist majority found themselves unable to raise their objections in the Press and at meetings except in the feeblest and most general terms. In the attempts to spread their ideas by means of secret circulars, pamphlets, meetings, and conferences they encountered not only the persecution of the authorities, but also the persecuting spirit of the party executive, which sometimes expressed itself in open denunciation.

Precisely because of these things the opposition increased in extent and intensity. At the Parliamentary Group Meeting of August 2, 1914, only 14, out of the 111 deputies, had voted against the granting of the war credits. In December, 1914, the number had risen to 17, but the minority submitted to the group decision, that no counter-demonstration should be made when the vote was taken at the Reichstag meeting. On December 2nd, Karl Liebknecht was the only person who actually voted against the war credits. On March 20, 1915, he was joined by a second deputy, Ruhle, while 30 other opponents demonstratively left the Chamber. Liebknecht and Ruhle were sharply reprimanded by the group on account of their "breach of discipline."

Meanwhile the opposition was strengthened and morally fortified to such a degree that in June an

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open letter to the party executive could be circulated, which bore the signatures of nearly a thousand well-known party members. The party, so this letter stated, was confronted with the alternatives of "Party Salvation or Party Destruction." The war policy of its majority had been "an ever sharper deviation from its former principles"; the recognition of the social truce signified the "cross on the grave of the class struggle." The policy of holding out was acquiescence in unrestricted mutilation of the nation. There was no trace of any opposition to the imperialist policy of conquest. If the party executive and the Reichstag group did not resolve to renounce the social truce and resume the class struggle, all responsibility for the destruction of the party and for the strife within the party would rest on their shoulders. Soon afterwards Haase, Bernstein, and Kautsky published in "Vorwaerts" a similar appeal, under the title "The Task of the Hour." The ostensibly defensive war had become so openly an offensive war of the first water that it was impossible for the group any longer to vote the war credits. But the party committee, as the supreme executive authority, approved the war policy of the group majority; and it was all the more angry with the "subterranean agitation which was obviously directed from a central position." It even intimated its strongest disapproval to the party president, Haase.

The antagonisms now became irreconcilable. On December 21, 1915, twenty deputies voted against the war credits, after the reading of a counter-declaration. Once more the party committee pro-

nounced its anathema against the "infractors of discipline" and against "Vorwaerts," which had approved their attitude. And when, on March 24, 1916, the minority again challenged the dictatorship of the group majority, it was excluded by the majority from the group. The opposition still remained inside the party, but the coercive proceedings of the majority increased to such an extent that the minority, for reasons of self-preservation, found itself obliged, in January, 1917, to form itself into a "working union." The party committee availed itself of this opportunity to accomplish the final separation. It issued a pronouncement, according to which membership of the Working Union excluded membership of the Social Democratic Party. At an Easter Conference, held in Gotha, the Working Union constituted itself the Independent Social Democratic Party.

These were the outward signs of an internal party struggle, which was carried on in an atmosphere of oppression by the authorities, persecution by party officials, nervous excitation and both personal and impersonal passion, such as the party had never before experienced.

Among the majority were secret nationalists, like David, Frank, Heine, and many others, for whom the international idea had always been but a shadow, and whose nationalist fervour was now as strong as that of any Pan-German. There were the trade union officials, and "practical politicians," who had always remained aloof from the philosophical basis of world-embracing Socialism; its moral and intellectual content had always been somewhat

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foreign to them, and they expected material advantages for the German working class to result from a German victory, and an increase of German world and economic power. Naturally, they were righteously indignant at the "traitors to the Fatherland," who regarded as reprehensible advantages purchased at the expense of other nations and foreign proletarians. There were renegades, like Lensch, Cunow, Hanisch, and others, who, influenced by German victories, and convinced that German Imperialism would prove to be irresistible, in the twinkling of an eye changed from revolutionary Social Democrats and Internationalists into German patriots and unbending Imperialists, and who now preached their new doctrines with all the zeal of apostates.

On the other hand, there was the minority, consisting of those who clung to the old Socialist ideals with double ardour, and who regarded the approval of war credits, the social truce, the Socialist abdication to Nationalism and Imperialism as the most despicable treason and an indelible stain.

The antagonisms and the bitterness were accentuated as every new week and month of war passed. That which the minority held to be a self-evident duty—to make a stand against the abomination of war, the infringement of popular rights, the war madness, and the propaganda of hate—was a matter of indifference to the majority, as war was war, and success was the only factor to be considered in the choice of instruments. Thus the violation of Belgian neutrality was for the majority a mere bagatelle—a "military necessity." The sinking of mercantile shipping by the "U" boats without

warning was never once condemned as barbarous. On the contrary, there was not the slightest hesitation about supporting German war policy in every possible way. When Liebknecht gathered first-hand information in Belgium, and demanded that the party executive should protest against German war excesses, he was reprimanded, and told to hold his tongue. When, however, the deputy Fischer journeyed to Switzerland in order to defend there, by means of pamphlets and newspaper articles, the German declaration of war and the invasion of Belgium as justifiable acts of necessity; when the deputy Sudekum conducted German war propaganda and executed government commissions for the supply of material to Germany in Italy and Roumania; when Adolf Müller worked for years in Switzerland as an agent of the German Government; when Parvus endeavoured to gain sympathy for the German war policy in Denmark by means of the most corrupt business practices, the party authorities had not only no blame for these things, but the most unmistakable benevolence. No Social Democratic Imperialist or Annexationist, no jingo or war fanatic among the deputies and editors of the party suffered from any interference with his activities, although the champions of the old anti-militarist, anti-imperialist, and international socialism were persecuted and proscribed. Liebknecht was ejected from the group like an unclean animal, insulted and shouted down by the Majority Socialists during his parliamentary speeches, sometimes denounced as a traitor, sometimes declared to be a fool. The court martial would never have dared

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to send him to prison, because of his agitation against the war, had not the Majority Socialists first, by their shameless calumnies, provided the opportunity of punishing this brave man.

The persecuting zeal of the party executive was not only directed against inconvenient persons, but also against the party organs, especially the party newspapers, which made a stand against the popular sentiment.

The first to fall victims were the editorial staff of the Stuttgart party organ, who were dismissed from their posts by the local executive, with the approval of the executive of the whole party, although against the wishes of the great majority of the Stuttgart party members. The attentions of the executive were next directed to the central organ of the party, "Vorwaerts," the editors of which had refused any active support to the war policy and from the beginning had emphasized the necessity of a peace of understanding at the earliest possible moment. And it is noteworthy that among those who opposed and detested the "Vorwaerts" were not only the majority of the party executive and of the Reichstag group, but also the supreme trade union authority, the General Commission. In November, 1914, the General Commission of German Trade Unions lodged a complaint with the supervising committee of "Vorwaerts," because the central organ had not reported with sufficient amplitude the official announcements regarding the war atrocities of the Entente. A journal issued under the authority of the President of the Central Commission, Karl Legien, the I.K. ("Internationale

Korrespondenz ") soon acquired a reputation for doing all that was humanly possible to stir up antipathies among nations and provoke conflicts among Socialist parties. It was also Legien who first demanded the exclusion from the group of Liebknecht and the other deputies who had refused the war credits. On the other hand, his tolerance towards the nationalists and annexationists in the party and the trade unions knew no limits. When, for example, he published a book, composed of chapters written by himself and the librarian of the House of Lords, he was not in the least offended at the fact that Professor Meinecke therein designated as war aims the "Luxemburgation" of Belgium, the weakening of England and Russia, against which it was "notorious" that the German Social Democracy had nothing to object.

The entire General Commission thought and acted like its president, Legien. When the challenge of the thousand members against the war policy of the official party appeared, the General Commission immediately issued a sharp counter-declaration. When, on December 21, 1915, 20 deputies voted against the war credits, the journal of the General Commission asserted that it was necessary to re-establish the disregarded party discipline and to deal with "the persistent infractors of discipline." And when, in 1917, the separation of the two sections had taken place, the conference of the trade union executive rejected a proposal to work with both Socialist parties, in questions which involved the co-operation of the General Commission with the political labour movement. If one

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remembers, in addition, the hostile attitude which the trade union bureaucracy adopted towards all demonstrations and protest strikes against the war, and, on the other hand, its solidarity with all internal war measures, the steady anger with the trade union executives which had accumulated during the war, and which found vent during the Revolution in bitter struggles against the detested officialism will be understood.

Meanwhile within the party itself the suppression and silencing of the opposition, which was daily growing stronger, were assuming forms of increasing harshness. By shamelessly utilizing the excuse of the prohibition of "Vorwaerts" by the military commander the editors were dismissed, and the Berlin party deprived of all voice or right of ownership in its newspaper. This coercive act was imitated in all districts where the editorial staff and party organization had ranged themselves on the side of the opposition. The opponents of the war were proscribed both by the party executive and by the military authorities. The inconvenient opponents of the war were sent to the trenches or to prison, while the champions of "holding out" could enjoy every official favour. Is it surprising that at that time the internal struggles of the German proletariat assumed the fiercest shape, and the callousness of the majority, supported by the powers of the military dictatorship, occasionally provoked such outbreaks of hatred as this cry of rage in a pamphlet: "Is there no worker in Germany who will spit in the face of these rascals? Is there no horsewhip to use on these traitors?"

Thus the German working class was split into two hostile camps when, in the autumn of 1918, the military collapse brought down crashing with it the entire old system, and in a single night the proletariat became masters of the situation. What a historical rôle the German Social Democracy could now have played, if instead of lowering itself to become the handmaiden of militarism, ~~and~~ expecting salvation from the victory of German Capitalism, it had remained a firmly-knit party of the proletarian class struggle.

CHAPTER II

THE FALL OF THE OLD REGIME

THE MILITARY COLLAPSE

THE generals and reactionaries, whose military and political gambles Germany has to thank for her smashing defeat, have, by way of excusing themselves, invented the absurd fable that the armies were not beaten, and that Militarism did not collapse because of its own mistakes, but that the pusillanimity of the nation and the outbreak of the Revolution caused the still unconquered and yet unbroken front to waver and crumple up. Ludendorff himself coined the expression of the "stab in the back" which the country had dealt the army, and all his fellow-sinners took up the phrase and repeated it without embarrassment.

As far as we are concerned, the accuracy or inaccuracy of this war legend is not a question of "patriotism" but a question of historical truth. If the opposition in the country, and especially the strength of the German proletariat, had been sufficient to wrest the power out of the hands of the German reaction, and to disarm their military representative, Ludendorff, if possible, a year or two earlier, the German working class and the entire German nation could have congratulated

themselves upon such an accomplishment. But, unfortunately, both the nation and the proletariat were powerless until Militarism went to pieces of its own rottenness, and the Eastern and Western Fronts collapsed.

The sequence of dates shows the stupidity of the new militarist war lie. The rising of soldiers and workers first began in November, whereas already on September 24th the Supreme Army Command had informed the Imperial Government that the desperate military situation rendered necessary an immediate request for an armistice.

And this acknowledgment of defeat was preceded not only by Bulgaria's capitulation, Austria's military débâcle and peace offer, but also by several weeks of continuous German defeats and retreats on the Western Front, in which the German Western Armies had lost many thousands of lives and 360,000 prisoners. Even some soldiers whose sympathies are quite orthodox are obliged to admit that the causes of the collapse of the army are to be sought within the army itself, and not outside of it. "When the Revolution took away from the army its weapons, it encountered no opposition. At the time the army was already shattered; otherwise the Revolution would not have been possible. When Ludendorff went, all hope had already been extinguished."¹ Ludendorff went on October 26th, a week before the first revolutionary rising at Kiel.

The collapse of the German armies did not commence in those July days of 1918. The

¹ Otto Dietz: "Der Untergang der deutschen Armee."

preparation for this had been going on, slowly but unceasingly, for years. The wearisome duration of the war, the war of position, and the life of the trenches, had enervated the armies, both in a military and a moral sense.

With criminal madness and inconceivable levity the controlling militarists had flung themselves into the war, in the vain hope of overrunning France within a few weeks. An old officer related how a friend belonging to the General Staff had shouted to him in the casino of a barracks, "See you in Paris in six weeks." This was at the end of July, even before the declaration of war. Such was the general conviction. It was also that of the Supreme Army Command, which had based its entire plan of campaign upon a speedy victory in the west. But this frivolous anticipation was not realized. With the battle of the Marne the victorious progress of the armies was arrested, and the period of trench warfare set in. This endless strangulation in verminous mud undermined the military and moral stamina of the German armies. Von Gleich admits "that the general level of our skill of conducting the war was considerably lowered with the transition into the war of position." And Dietz described the moral background: "The war of position altered the aspect of the war. It was no longer a war in which all suffered, and for the end of which all equally yearned. To the fighting troops it brought an immense load of privations, while among the higher direction and its staffs, which steadily multiplied, a luxurious mode of living developed, surpassing even the comfortable existence of former

days. In addition to the permanent danger of death, the soldier at the front had to endure the discomforts of slime, lice, and tunnels. For the staff at the rear, there was increased security, casinos, women, and wine." To this must be added the corruption among the staff, the mania for extravagance and embezzlement, and the monstrous wastage of men.

In spite of all, however, it was found possible, in the spring of 1918, to raise the spirits of the troops once more. Russia having been disposed of, sixty divisions were ready to be flung into the Western Front. Ludendorff believed more confidently than ever in the decisive break through, and the same spirit of victory had been breathed into the troops: "The attack was prepared most carefully; everything that could be spared was transported from the Eastern Front; the artillery was concentrated in unprecedented strength; the military hospitals in the occupied area and beyond the Rhine were cleared out; the depôts were emptied of relief troops; every kind of training was suspended, and everything was set in motion for the final blow. In particular, wonderful things were promised from the ruthless employment of the terrible yellow gas. On the 21st March at 4 o'clock in the morning the guns began to thunder for the general attack, and once again the spirit of 1914 flared up."¹

After considerable initial successes this offensive too, from which the decision and the victory had

¹ "Der Zusammenbruch: Beobachtungen und Betrachtungen eines ehemaligen Feldsoldaten."

been expected, led to no strategic result. When, after a breathing space, and desperate new preparations, it was thought that this offensive could be more successfully repeated in July, the opposing forces were greatly superior, both in numbers and equipment.

Not only did Foch skilfully dispose of his reserve, which was supposed to be impaired, but a million Americans had landed since the spring and were ready for action, and, in addition, there was a far superior artillery, numerous tanks, and aeroplanes, which rendered the Allies irresistible, when, after the German failure, they passed over to the offensive along the whole of the gigantic front.

In the decisive battles of July, August, and September 1, 1918, the decay and dissolution of the armies which had been proceeding during the four years of war became apparent. Only the smallest portion of the troops was capable of service at the front. Old and sick soldiers formed a considerable percentage of the troops, whose quality, moreover, had deteriorated owing to the continual lowering of the physical standard. Further, the provisioning and equipment had, since 1916, become worse and worse. The ration of fats became smaller and smaller, and the bread was bad and scarce. Dysentery and influenza spread. The lads of eighteen, scarcely grown and defectively trained, who were obliged to fill the gaps, were very doubtful substitutes. Companies of a total strength of twenty to thirty men were often obliged to hold the sector entrusted to them. They waited months for the gaps to be filled; when at length

a few poor substitutes arrived, it was like a drop of water in the ocean. The supply of technical material also became increasingly scanty. Copper was replaced by zinc, and zinc by iron. Economy had to be observed with everything. Benzol was lacking for motor transport. The condition of the horses was deplorable. Broken-down nags lingered about the marshy roads. The number of aeroplanes was greatly inferior to that of the enemy, and there was nothing whatever to oppose to the tanks. And when the Entente bombarded the German positions for days the German armies could only respond feebly. The celebrated German organization, which was thought to be unrivalled, never once asserted itself. System was worked to death. There were many administrative posts which existed only on their own account. The more sparsely the Front was held, the more populous became the staff offices. "What with constantly increasing losses and inadequate replacements, the divisions at the front eventually consisted of more baggage than fighting troops. . . . Whoever desired to show the importance of his work for the Fatherland, proved his indispensability by organizing a staff. . . . In this way many things came to be over-organized. But fighters were lacking for the battles."¹

Then there was the growing antagonism between officers and men. Prospective officers were chosen, not according to capacity, but on account of their family position and their social qualities. While the men at the front were suffering heavy casualties

¹ Generalleutnant v. Altröck: "Deutschlands Niederbruch."

in bloody battles, the officer caste was having a good time thirty miles behind the line. "Who drank, who ate, who smoked in gala uniforms? Who flirted with French women, amid sunshine and music, while at the front men were starving and dying? Who lay with willing or unwilling women and girls in white beds, while not far away every minute a man grappled with death, seeing before him in a vision his mother or child?"

The demoralized, embittered, and despairing masses had now to encounter an overwhelming opponent, in the form of the brutal and final destruction of the fable of victory, which had been artificially nourished for years. "At the beginning of September we passed through Cambrai. Here we first discovered newspapers. How big the wounds of the front had become. Marne, Rheims, Arras, Albert, Douai. The whole front reeled like a drunken man. We needed to be relieved, but no relief came. Men went into hospital and came out with open wounds. The clerks wrote for materials until their fingers were sore. Nothing came, no new shirts, no new socks. The officers indulged in orgies with the 'army mattresses,' as the women helpers were called by the sensual twenty-year old subalterns. And when one of these subalterns, in passing the battlefield of Waterloo, made a speech against the traditional enemy, hundreds murmured and then shouted, 'Thrash him!' 'Out with the knife!'"¹

The war weariness of the army which had long been apparent—the desertion among the relief

¹ Karl Vetter.

transports which were sent into the field, of which, according to Lieut.-Gen. v. Altrock, ten per cent simply went back—the flooding of Berlin, Cologne, and other large towns with many thousands of deserters from the colours—the mutiny of whole bodies of troops coming from the East—the bands of troops which crossed the Dutch frontier—had become so marked that any attempt to continue the war would have been pure folly. The peace, forced both by the army and by the country, saved Ludendorff from the most colossal defeat in world history and Germany from a still more fearful catastrophe.

THE PORTENTS OF THE REVOLUTION

The military collapse was the consequence of the overstraining of the military forces, which resulted at the critical moment in a complete breakdown. It was this relaxation, this breakdown of the old system by reason of its own weight, which assisted the political triumph of the German proletariat, and not its own conscious struggle for the conquest of political power, nor its revolutionary fervour.

The majority of the German working class had during all these years trotted behind the official Social Democrats, who believed blindly in Bethmann Hollweg and the militarists. In reality, they staggered into the Revolution and the Republic only half awake. When Friedrich Stampfer, the chief editor of "Vorwaerts," which had been forcibly transformed into a Majority organ, said

of the Majority Social Democrats, "they had bought no revolvers and hatched no conspiracies," he expressed much too mildly the completely anti-revolutionary character of their war policy. They had even done all they could to assure the victory of German militarism and to suppress the Socialist opposition, as we have shown in the first chapter. If, in spite of this, a section of the working class flocked to demonstrations against the endless murder of the peoples and the intolerable pressure of the military dictatorship, it met with neither sympathy nor support among the Majority Socialists. For example, when the great strike took place, which aimed at preventing the coercion of Russia and forcing the ending of the war, the Majority Socialists assumed control of the situation only to terminate the strike as rapidly and harmlessly as possible.

In this the Majority Socialists acted in close co-operation and full agreement with the General Commission of Trade Unions, whose attitude towards the January strike was described by itself in the following terms: "The influence of the German working class was unfortunately too weak to hinder the course of these peace negotiations [of Brest Litovsk] upon which the German Army Command exercised a powerful influence. It would also have been unjustifiable to influence this Peace Treaty by political mass strikes in the way that certain sections of the working class wished to utilize the strikes in the armament industry." ¹

¹ "Report of General Commission of German Trade Unions from 1st July to 31 May, 1919."

The General Commission considered that the Entente itself was to blame for this coercive peace, because it did not participate in the Brest Litovsk negotiations. As if words would have made any impression upon German militarism, which at that time was drunk with victory. Moreover, there were German Social Democrats to whom the Peace of Brest Litovsk did not appear in any evil light.

When the Reichstag group of the Social Democratic Party discussed how it should vote, twenty-five deputies were willing to accept the Treaty, purely and simply, while eventually a majority declared in favour of abstention.

As regards the Revolution, the German trade union leaders are entirely guiltless. After they had received an assurance from the Government, on August 1, 1914, that they would remain "unmolested" in the war, and that trade union offices, as "essential war undertakings," would be protected from inconvenient summonses, they were diligent in according the most loyal support to the civil and military authorities.

On December 12, 1916, a congress of trade unions and employees' associations, in which the Director of the War Office took part, declared that the organizations represented were unanimous in their readiness to co-operate in the performance of the auxiliary services which formed a part of the Hindenburg programme, through which the war assumed harsher forms and was prolonged. The trade union leaders at that time addressed two written assurances of fidelity to the Imperial Chancellor, Bethmann Hollweg, and the President

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of the War Office, General Gröner, to which the latter replied with suitable martial tirades. Bethmann called the document "a firm guarantee for our English victory," and Gröner wrote: "The German people is unconquerable, and English arrogance will have to realize that fact, whether it likes it or not."

While the whole activity of the Majority Socialists and of the trade unions was absorbed in working for a German victory and strengthening the ruling powers, the Independents and the members of the Spartacus League strove unceasingly to enlighten the masses as to the real character of the war, and to goad them into acts of protest. The Spartacus League, inspired by Karl Liebknecht and Rosa Luxemburg, who spent the greater part of the war period in prison, was formed in April, 1917, as the extreme wing of the Independent Social Democracy, and on October 7th of the same year convened a national conference in Gotha, with the object of forming workers and soldiers' councils.

An intimate account of the secret revolutionary organization of the proletariat was given by Ledebour during his trial for sedition (May 19th to June 23rd). According to his statement, the first symptoms of the revolutionary movement may be traced back to the year 1916, when a strike took place in the metal industry. At the time the following thought took root among the workers of Berlin, especially the munition workers: "We must prepare ourselves for the Revolution." These sections of workers formed a preliminary revolution committee. At the Stockholm International

Conference, Ledebour submitted a proposal for a simultaneous mass strike in all countries.

The strike in January, 1918, in which about a million workers in various parts of the country participated, was the outcome of this idea. For a whole week the workers persisted in a political demonstration strike, in spite of all threats and coercive measures. The employers and military authorities revenged themselves by means of extensive precautions and punitive measures. Thousands of denounced "ringleaders" were either cast into prison or drafted into the army. Richard Müller, the strike leader, was sent to a military camp, and detained there, although he was unfit for service. But this practice of using the army as a prison establishment, and the trenches as cells, turned out to be unfortunate from the military standpoint. The men thus punished became the most ardent propagandists of Socialism and peace. "It was in consequence of these proceedings that, in November, 1918, revolutionary ideas could be translated into action in the army, and especially the navy, where technical workers are strongly represented."¹

Without the courageous lead of Ledebour and his friends, and without the establishment of a closely knit organization of revolutionary delegates, which in Berlin alone comprised several thousands of persons, the January strike would have been impossible, and the Revolution could never have been accomplished with such irresistible momentum and with so little bloodshed in November, 1918.

¹ Ledebour.

In spite of this, a proletarian rising in Germany would never have had any prospects of success if Militarism, the Monarchy, and the Authoritarian State had not committed suicide by their madness in continuing the war. The Revolution was not only "accelerated," as Ledebour said, by the military collapse, but this collapse was plainly its prerequisite and condition. Had Germany triumphed in the spring of 1918 all possibility of a Revolution would have been excluded, however severe might have been the economic shocks to which Germany would have been exposed, in spite of her victory. Although the January strike had been a very respectable trial of strength for Left Wing Socialism, there was very little of the revolutionary spirit to be observed among the workers and soldiers during the succeeding months of the victorious German offensive, and the Government and the Majority Socialists again had the reins firmly in their hands: that is, until the catastrophic events of the late summer brought about a total change in public opinion and the "military bankruptcy deprived the ruling powers of all their instruments of coercion."

Admitting these facts, however, the Majority Socialists have no right to ridicule the pretensions of the Independents to have made the November Revolution. This was foolish, for neither individuals nor groups could have made the Revolution. "Soldiers and workers were everywhere driven by the same impulse; the explosive force of millions of unknown men have made the Revolution."¹

¹ Adolf Bauer: "Sturmvoegel der Revolution."

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¹ Adolf Bauer: "Sturmvoegel der Revolution."

Quite true ; but had the parliamentary speeches of the majoritarians and the trade union leaders, or their approval of the war credits, helped to create that driving impulse, that explosive force of the workers and soldiers ? Was it not rather the spirit of those Left Wing Socialist speeches in the Reichstag and in the national parliaments which kindled the revolutionary ardour among the masses ?

German Militarism could do what it liked—rage through the Ukraine like a Berseker ; sacrifice 50,000 proletarians in Finland to the White Terror through its support of the Reaction ; enforce upon Russia the most brutal kind of dictated peace—the German Right Socialists approved without a murmur the new war credits, and continued to preach the necessity of holding out until victory. As always, it was reserved to the spokesmen of the Independents to protest against the newly planned mass slaughters and utter the challenge of revolution. On February 22, 1918, Dr. Oscar Cohn concluded his speech in the Reichstag with the words, “The Revolution, which has begun in Russia, will spread to Germany. And if the princes and statesmen do not know how to end the war on the lines of a peace of understanding which will reconcile the nations, then the nations themselves will end the war. I hail the day when this shall come to pass. I hail the day when the nations will take their destinies into their own hands against the princes and statesmen, against Militarism, and, above all, against German Militarism.”

THE NAVAL REBELLION

The four years of war had piled up an immense sum of resentment and bitterness among the workers and soldiers. With the success against Russia and the spring offensive this resentment once more gave way to illusions of victory. When, however, in the late summer the fearful collapse took place on the Western Front the indignation swelled into gigantic dimensions. Everybody felt that the nation had been duped and deceived, and that there was only one road to salvation—the overthrow of the old powers, which had brought this immense misery on the heads of the people. The old system was shaken to its foundations by the “Job’s tidings” of the Supreme Army Command that the military situation had become hopeless, and that salvation lay only in an immediate armistice. In order not to lose all, the rulers now made haste to grant to the people all those concessions which had been haughtily refused for four years—equal suffrage for both sexes in the Federated States, the parliamentary system, and Social Democratic ministers. On October 2nd, Prince Max of Baden formed a Coalition Cabinet, into which the Majority Socialists, Scheidemann and Bauer, entered. On October 5th the request for an armistice was sent to Wilson. The democratizing of the Empire and the Federated States now rapidly proceeded. An amnesty for “political offenders” opened the prison doors to the victims of the military power. Even

Karl Leibknecht was set free on October 21st. He was welcomed by tens of thousands in Berlin, and carried through the streets in triumph.

But all these concessions came too late. It was felt that bounds could no longer be set to the new development, and that the old military and police State must be swept away in its entirety. Even Majority Socialist newspapers understood the meaning of these portents, and at the beginning of October demanded the abdication of the Hohenzollerns—papers such as the "Frankische Tagespost" on October 10th, the "Volkswach" for Silesia, the "Saalfelder Volksblatt," and the "Magdeburger Volkstimme." It is true these sentiments were suppressed by the censorship, but public opinion became daily more determined upon a social transformation. At the end of October, Scheidemann tried to induce the Imperial Chancellor, Max of Baden, to demand the abdication of Wilhelm II. The latter felt himself to be so insecure in Berlin that on October 30th he fled from the capital of the Empire to the army, from which a few days later he was also to abscond, in order to find safety in Holland.

The outbreak of the Revolution had become inevitable. It was not mere chance that the open rebellion started among the sailors and workmen at the imperial port of Kiel, as the dockyard workers of Kiel had for decades been amongst the most energetic members of the Socialist proletariat, and during the last years of the war had distinguished themselves by their resolute spirit. When in

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March, 1917, the opposition was organized in Kiel, 950 men and women immediately joined the Independent Social Democracy. Owing to the large proportion of qualified workers which it contained and the fixed conditions of the service, the personnel of the navy was more susceptible to revolutionary propaganda than the soldiers at the front, where the rapid changes in formations rendered any close association among the men impossible. It was the peculiar conditions of the navy which, as early as the year 1917, permitted the forming of a secret league, and engendered the outbreak of a mutiny. Not only did Left Socialist newspapers circulate widely among the navy, but definite organizations of the Independent Social Democracy arose. The sailors, Reichpitsch and Koves, had entered into communication with the head-quarters of the Independents in Kiel and Berlin, in order to obtain propaganda material and information. But carelessness and treachery put an end to the operations of these audacious pioneers. The leaders of the movement, Reichpitsch and Koves, were court martialled and shot, and many others were thrown into prison. More than 400 years of penal servitude were meted out at that time. Nevertheless the revolutionary agitation was not stamped out. Other comrades stepped into the places of those who had been shot or imprisoned, and a new system of delegation was instituted. Perhaps the navy would have acted in January, 1918, when the dockyard workers took a conspicuous part in the great demonstration strike, and at that time elected the first Workers' Council in

Germany, if the plan had not been frustrated by imprisoning the leading personages.¹

Thus both in the navy and among the Kiel workers the Revolution had been sufficiently prepared when the criminal rashness of the naval authorities exploded the mine. The Fleet Command had formed the seemingly heroic but in reality unspeakably criminal resolution to challenge the English once more in a great sea battle. The lives of 80,000 subordinates were to be sacrificed in order that the German Navy might go down gloriously. "It was intended to assemble the fleet off Heligoland, behind a chain of 'U' boats, so as to draw out the English and provide the 'U' boats with an opportunity to attack them, and this plan was thought out and was to be executed after Germany had sued for an armistice and peace, protesting her horror of further useless sacrifice."²

On October 28th the fleet was to steam out, but the sailors put out the fires, and declined to obey orders. The mutinous sailors were confined in Wilhelmshaven and Kiel, and included a hundred men from the ship "Markgraf" alone. But their comrades were no longer minded to submit to this treatment. On November 1st and 2nd the sailors held meetings in the Kiel Trade Union Hall, and demanded the immediate liberation of their imprisoned comrades. On Sunday, November 3rd, a gigantic demonstration of sailors and workers was held. A powerful contingent at once set free some imprisoned comrades belonging to the naval

¹ Lothar Popp: "Ursprung und Entwicklung der November Revolution."

² Stampfer.

division, and then paraded through the town. "Sung by tens of thousands, the Workers' 'Marseillaise' reverberated through the streets. At intervals cheers were given for the International and the Republic. Such cries as 'Down with the Kaiser' were highly popular sentiments." At one street corner, however, the procession was held up by a patrol, commanded by a lieutenant, which fired at first into the air, and then at the crowd. Thirty persons were killed or wounded, but the commanding lieutenant was also struck down.

On November 4th the sailors' revolt became general. The superiors were powerless, and were obliged to recognize the Soldiers' Councils, which were elected according to companies. The torpedo and "U" boat divisions elected the first Soldiers' Councils in Germany. The liberation of the imprisoned sailors was conceded by the governor. Twenty thousand armed men, with drums beating and red flags flying, marched to the prison. The red flag was also hoisted on all warships. The revolution in Kiel had achieved a complete victory. Among the demands which were unanimously put forward were abdication of the house of Hohenzollern, abolition of the state of siege, release of all victims of the naval revolt of 1917 who were still in prison, introduction of universal, equal, and secret suffrage for both sexes.

On November 4th the Majority Socialist deputy, Noske, arrived in Kiel, put himself at the head of the movement, and on November 7th succeeded in getting himself elected as Governor of Kiel by the 300 representatives of all the military and naval

divisions. At the conclusion of this meeting the President of the Independent Party, Hugo Haase, appeared for the first time. On November 4th the sailors had despatched a telegram to Berlin, requesting that Haase, Ledebour, and Oscar Cohn might come immediately; but the telegram was held up on the way. "It is of historic significance that the fallen Government allowed the deputies of all other parties freedom of movement, but did everything they could to keep the representatives of the Independents away from the theatre of action."¹

The Kiel revolt spread like wildfire. North Germany was immediately affected. On November 5 and 6 the Workers and Soldiers' Councils assumed power in Hamburg, Lubeck, Neumunster, and Bremen. Wilhelmshaven, Brunsbittel, Schwerin, Rostock, Oldenburg, Luneburg, and Hanover followed suit. And then the Revolution spread in ever-wider circles. By November 8th Brunswick, Hildesheim, Cologne, Dusseldorf, Duisberg, Krefeld, Bielefeld, Magdeburg, Halle, Dresden, Leipzig, Frankfurt-on-Main, Munich, and many other central and south German towns were conquered by the Revolution.

In some of the Federated States the authorities believed that they could save themselves at the last moment by timely concessions. Such was the case in Brunswick, where a government decree of November 8th promised to introduce the Reichstag franchise for the Landtag elections. But it was too late, and on the same day the Grand Duke was obliged to sign his abdication.

¹ Lothar Popp.

In Mecklenburg the same comedy was enacted, with the same result. "The Workers and Soldiers' Councils took over the control of public power, mostly without opposition. The bourgeoisie stood aside, frightened and nervous; it did not think of taking part in the Revolution, but it offered no opposition. Isolated counter-measures on the part of the police and the military authorities were quite ineffectual. Most of the authorities resigned their power to the Workers and Soldiers' Councils without delay. They trembled at the idea of reprisals for the brutal suppression and ill-treatment of all revolutionary Socialists, and were relieved at being treated with such propriety and consideration."¹

In Munich the Workers and Soldiers' Councils seized governmental power on November 7th. Kurt Eisner had carried on there since 1914 a quiet but persistent campaign against the war madness. He had gathered about him small knots of workers, soldiers, and intellectuals. When the protest strike broke out in January, 1918, Eisner placed himself at the head of the movement in Munich, with the declaration that the Proletariat must finally put down Militarism by means of a general refusal to work. At that time Eisner, together with many of his friends, went to prison, which he left only in September, when he was adopted by the Independents as Reichstag candidate. Without hesitation he again threw the whole weight of his personality into the struggle against the war and the reaction. On November 7th

¹ "Die deutsche Arbeiter-Revolution, Gedenkschrift der Unabhängigen."

he convened a great mass meeting to be held in the Theresienwiese (a local common), in which soldiers joined. At their head he marched from barracks to barracks, and everywhere fresh demonstrators flocked to him. In the evening of November 7th the Workers and Soldiers' Council, which took over the government, was elected, with Eisner as president.

The Majority Socialists, with their leader, Auer, pursued a dilatory and admonitory policy right up to November 8th ; but they too joined the Coalition Government when nearly all the Government officials placed their services at Eisner's disposal.

Thus within a few days, and practically without fighting, the Revolution conquered a great part of Germany. The abdication of the princes and the old authorities, the seizing of power by the Workers and Soldiers' Councils, had been carried out with a conclusiveness which would have been inconceivable a few months before. With infinite slowness, and for the most part invisibly, the four years of war had completed the process of dissolving the old State.

During the four years of war the old State had gradually crumbled to ruins. The process was infinitely slow and for the most part invisible, and when the catastrophe came dominion fell to the Proletariat, like a ripe fruit into the lap.

The war itself had broken the army, which was the coercive instrument of the ruling class, so that the Proletariat had no longer any need to reckon with it. The conquest of political power was the work of a few days. The Proletariat was destined only too soon to discover that the maintenance of

power was as difficult as its acquirement had been easy.

NOVEMBER 9TH

On November 9th Berlin had its first taste of Revolution. The fact that the capital of the Empire could remain so long immune from the revolutionary flood, as an island of the old regime, was due to various circumstances.

Berlin was the principle seat of the Independents and the centre of revolutionary organization, but it was also the head-quarters of the reaction. It might be assumed that precisely in Berlin, the decisive point, the reaction would offer its most active opposition. In addition to this, the whole of the news and communication services of Berlin were still in the hands of the civil and military authorities, who industriously cut off Berlin from the outside world, and saw to it that no alarming news from the country achieved publicity. The full import of the events in Kiel and the other towns was first learned several days later, and only vague ideas were forthcoming as to events in south and west Germany.

The majority Socialist members of the Government did not lift their fingers to hasten the revolutionary decision. Even in its issue of November 8th "Vorwaerts" published on its front page an appeal from the executive of the Social Democratic Party and of the Reichstag group, in which the masses were admonished, "No thoughtlessness

just now, as this would provoke in the country the bloodshed which has ceased at the front." And of the five points of the appeal the fourth demanded "the strengthening of Social Democratic influence in the Government"—a proof that the Majority party itself at this juncture did not contemplate the conquest of the whole of political power by the Proletariat! And also in the issue of November 9th, which came into the hands of the Berlin workers on the Revolution morning, and announced the victory of the Councils' Republic in Munich, Brunswick, Magdeburg, and Frankfurt, the workers were counselled to have patience. The abdication of the Kaiser and the renunciation of the Crown Prince had unfortunately not yet taken place, but were being energetically demanded. "Workers! Comrades! It is only a matter of a few hours' delay. Your strength and determination can bear this delay."

A few hours later the situation was beyond the control of those who had signed the appeal.

The Revolutionary Committee of the Independents and the Spartacists, which had been in existence for a year, and which consisted of shop stewards, had on November 2nd decided, without any knowledge of the events at Kiel, to launch a rising on November 4th, by means of a mass strike and a procession through the town. A subsequent consultation with the shop stewards revealed the fact that while the larger establishments considered the moment for action had arrived, the smaller establishments were not able to intimate their readiness. The definite decision was to be made on

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November 6th ; but in the meantime the authorities got wind of the matter and made some arrests. A too-confiding officer, who was likewise arrested, allowed himself to be intimidated, and communicated all the details known to him. Thereupon, on November 8th, Däumig, a former member of the editorial board of "Vorwaerts" and one of the chief leaders of the secret revolutionary organization, was also arrested. There was no further hesitation now. It was unanimously resolved to call out the Berlin masses on the next day. On the morning of November 9th the following handbill was distributed in all work places and everywhere in the streets :

"WORKERS, SOLDIERS, COMRADES !

The decisive hour has struck. We must rise to the level of a great opportunity. While the Workers and Soldiers' Council in Kiel has taken power into its hands, the authorities here are making arrests on every side. Däumig and Liebknecht are in prison.

This is the beginning of a military dictatorship. We demand, not the abdication of a person, but the Republic: THE SOCIALIST REPUBLIC, and all that it implies.

FIGHT FOR PEACE, FREEDOM, AND BREAD.

LEAVE THE FACTORIES.

LEAVE THE BARRACKS.

UP WITH THE REPUBLIC !

The Executive Committee of the Workers
and Soldiers' Council: Barth, Bruhl,
Eckert, Franke, Haase, Ledebour,
Liebknecht, Wegmann, Neuendorf."

The author attempted to describe^v the way in which the Berlin Proletariat answered the call in a commemorative article which appeared in the "Freiheit" for November 9, 1919:

"The leaders of the revolutionary organization had done their best to arm the workers. But of what use would the few hundred rifles and Brownings have been if Militarism had not been sapped of all strength and deprived of all authority by its senseless policy of the last four years. The soldiers were thoroughly tired of being used as cannon fodder by a bureaucracy whose corruption they had beheld for years. The fearful apprenticeship of four years of blood and deprivation had educated the armed nation to a conscious citizenship. And when the hundreds of thousands of proletarian men and women of Berlin on the morning of November 9th appeared in the streets before the barracks, the uniformed citizens offered practically no resistance. The most powerful revolutionary upheaval which Germany had ever experienced was accomplished almost without any bloodshed. The Prussian military State was abolished by the unanimous determination of the working masses of Berlin.

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" Nobody could foresee that the victory of the Revolution would be achieved in Berlin so smoothly and bloodlessly. The masses who thronged the streets on November 9th with the heroic resolve to give the death-blow to the execrated system were capable of anything. And what a truly alarming spectacle it was, these endless contingents of proletarians who, on this morning and afternoon, streamed through the streets of Berlin, like an irresistible elementary force, like the Nemesis of world history itself.

• " These black and grey masses pushed onwards unceasingly.

" A red flag fluttered at their head, and bobbed here and there like a bright flame over single groups. The advance guard was composed of armed soldiers and civilians, shouldering their rifles. Armed men were also sprinkled here and there in the procession as marshals of the endless winding army. Grey-haired veterans of the workshop and the war and vigorous young fellows, with the same revolutionary determination, with rifles ready for action, with Brownings or swords, marched side by side. There were also women and girls among the rank and file. They, too, would share in the triumph of the day!

" And November 9th, which signalled the victory of the Berlin Proletariat, was in another sense an honourable day for the revolutionary nation, for it was unsullied by the shedding of innocent blood. An enormous store of revolutionary anger had accumulated. Accounts had to be settled with a regime of force and its functionaries, which had

mercilessly sacrificed millions of human lives, and yet no crude acts of reprisals occurred, neither in Berlin nor in Kiel, nor in Hamburg, nor in Munich, nor anywhere else. Officers were disarmed and deprived of their epaulettes, but no one was harmed in life or limb out of revenge. When one remembers the shocking bestialities which the victorious Noske troops have since perpetrated on disarmed revolutionary fighters, and even on unarmed prisoners and entirely innocent persons, the Revolution may be justly proud of its incomparable magnanimity, and of the noble conduct which the victorious proletarians observed towards the humbled and completely cowed representatives of the old and hated system."

By midday the victory of the Berlin Proletariat was assured. The special editions of the newspapers announced this unquestionable triumph. It therefore appeared all the stranger that, even in its issue of November 10th, "Vorwaerts" published an appeal, dated November 9th, which was signed by the Majority Socialist, Ebert, as Imperial Chancellor. This appeal stated that the late Imperial Chancellor, Prince Max of Baden, with the support of the whole of the State secretaries, had entrusted to Ebert the direction of affairs. He, Ebert, was "proceeding to form the new Government, in agreement with the parties." The appeal concluded with the words: "Fellow-citizens, I urgently entreat you all to leave the streets, and to maintain peace and order." And while Ebert was thus emerging as Imperial

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Chancellor, by the grace of Max of Baden and the "whole of the State secretaries," on the morning of November 9th the other Majority Socialists, with Scheidemann at their head, were seeking the leaders of the Independents in order to discover a common basis for revolutionary action. This common agreement was arrived at in spite of the protests of Ledebour. At two o'clock Scheidemann, from the Reichstag square, proclaimed the Republic, which had meanwhile been for some time an accomplished fact, and already proclaimed in all the streets without the assistance of the majority Socialist leaders! Like the nimble opportunists they were, the Right Socialists had quickly apprehended that the day belonged to the Proletariat, and that they must swiftly plunge into the revolutionary tide, if they were not to be left behind. This unity was effected with the Independents on the condition that the Republican Government should consist of three Right Socialist and three Left Socialist People's Commissaries. The Independents made their co-operation dependent upon a series of precisely formulated conditions, of which the most important were:

The Cabinet should consist only of Social Democrats, who as People's Commissaries would have equal rights as against each other.

This restriction would not apply to technical ministers, as they would be merely expert advisers to the Cabinet. To each of them would be allocated two members of the Social Democratic parties, having equal rights.

The political power to reside in the hands of the

Workers and Soldiers' Councils, which would soon be summoned to hold a national conference.

The question of the Constituent Assembly would first arise after the consolidation of the conditions created by the Revolution, and is consequently reserved for later discussions.

The executive committee of the Majority Socialists declared its acceptance of these conditions. Thereupon, the Cabinet met on November 10th. It consisted of Ebert, Scheidemann, and Landsberg, on behalf of the Majority Socialists, and Haase, Dittmann, and Barth, for the Independents. Liebknecht withdrew the consent which he at first gave to enter the Cabinet, and Ledebour also decisively refused to work in a government with such men as Scheidemann and Ebert, whom he regarded as traitors, on account of their war policy and their oppression of the Independents under the protection of the state of siege. The other Independents did not find it easy to make up their minds. But even if the masses of the workers, and especially the soldiers, had not clearly pronounced in favour of a common and equally representative government of the two Socialist groups, it would have been the height of unwisdom if the Independents had cut themselves off from the Right Socialists as a matter of course.

The supporters of the Independents among the Proletariat and the soldiers were at that time weak numerically, and the Left Socialists had far too little power at their disposal for them to have ventured to take upon their own shoulders alone the burden and responsibility of government.

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The power conquered by the Proletariat could only be retained if all the Socialist parties unanimously joined together for its consolidation and defence. However bitterly the two sections had fought each other during the war, to have indulged in recriminations at this moment would have been inexcusable. However great and justifiable the mistrust of the Right Socialists might have been, in view of the urgent political tasks, the experiment of a Socialist Coalition Government had to be made at all costs. It is true that during the Revolution the most unpardonable and fatal mistakes were made ; but the entry of the Independents into an equally representative Cabinet was, in the circumstances, no mistake, but a matter of sternest necessity.

CHAPTER III

THE BEGINNING OF INTERNECINE STRIFE

THE PROLETARIAT IN THE SEAT OF POWER

NOVEMBER 9th lifted the German working class into the saddle ; the next thing to do was to start riding. The tasks which confronted the working class were to maintain, by a wise and energetic policy, the power which had fallen to it through the collapse of Militarism ; not to permit the Militarist and Capitalist reaction, which for the moment was broken, to regain power ; and systematically to give effect to the demands of the Socialist programme for democratization and socialization.

Unfortunately, the German Proletariat and its leaders showed themselves to be inadequate to the performance of these tasks. Both the Right and the Left Wings committed blunder after blunder, with the result that, after a few months, German Social Democracy was obliged to relinquish the preponderating power, while the bourgeois and reactionary influences steadily gathered force. The mistakes of revolutionary classes and leaders are naturally not merely errors of calculation, but sins of omission and commission, which derive psychologically from quite definite economic and

political causes. Nevertheless, it would be regrettable if the Proletariat endeavoured to explain the mistakes of a revolution only in the light of the special circumstances, and did not strive to learn from them. And as the Revolution is not yet over either for Germany or for other nations, but has released a current which will go on flowing for decades, the tragic course of the German Revolution ought to serve as instruction and warning to the proletarians of all countries.

At least, the mistake of the German Revolution did not consist in the fact that it was too sentimental, that it was unaccompanied by any brutal suppression of the reaction, any bloody heroic struggle, or any proletarian reign of terror. The German Proletariat need not grudge covert reactionaries the pleasure of taunting it with understanding nothing about the nature of revolutions in general, or with being too stupid to make them, as Bakunin said in 1848, or the additional reproach that nothing inspiring, no great man, no daring act of violence had conferred historic greatness on those November days.¹

And when those members of the Intelligentsia who cherish genuine revolutionary sentiments pronounced the Revolution to be commonplace and sluggish, they judged it by its visible progress, and revealed only the superficiality of their point of view and their defective understanding of important and essential elements of the Revolution. Finally, those persons had no suspicion of the essence and the significance of this Revolution who thought

¹ Oswald Spengler: "Preussentum und Sozialismus."

it was no revolution at all because it had triumphed almost without a struggle. The truth was that the German Revolution assumed a character quite different from that of either the great English or the great French Revolutions. In the latter Revolutions it was possible to crush the reactionary forces only after protracted and bloody struggles. On this occasion, however, the demoralization and downfall of the reactionary forces, and especially of their colossal military apparatus, was effected by the war and the military defeat, so that the commencement of the Revolution was its political high water mark, viz., the seizure of the whole political power by the Proletariat. All the same, whatever were the nature of the forces which prepared the way for this easy triumph of the German Proletariat, the victory was none the less complete on that account, as the ruling class was overwhelmed, and the working class was, for the moment, in absolute command. Had the Socialistic working class understood how to follow up its victory, and how to make a proper use of its resources, Germany to-day would be heading straight for Socialism, instead of drifting on the ebb tide of counter-revolution.

There can be no question whatever that the German Republic must strive to realize Socialism by methods other than those practised in Russia. The dictatorship of the Soviets and immediate and complete socialization were entirely out of the question in Germany, and it was a tragic misconception of economic and political possibilities for the extreme proletarian Left to imagine that the

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Russian example could, without any modification, be imitated in Germany. The confusion and disorganization caused to Russian industry by the policy of precipitate socialization have been sufficiently indicated in the writings and speeches of Lenin and Trotsky themselves.

But Russian methods applied to Germany would have produced an incomparably greater disaster, because German industry represents in the nation's life a factor quite other than in the case of Russia, inasmuch as agrarian Russia, with only one-tenth of her population supported by industry, could bear a temporary paralysis and decline of her industrial production without a catastrophe overtaking her. The unemployed workers found a foothold in the countryside or in the Red Army. In Germany, however, more than two-thirds of the nation are supported by industry and trade. How could these more than 40,000,000 persons be supported, if a hasty and planless scheme for the socialization of production brought the whole industrial machinery to a standstill?

Consequently, all the renowned Socialist theoreticians, and almost all practical economists in Germany, were agreed from the start that socialization could be only a gradual and systematically progressive process. "The formula 'all power to the workers' councils' might be an effective battle-cry, and seductive in its simplicity, but it implied the mischievous fallacy that the mass of wage-workers could now assume the direction of national economy. The will of the masses may determine the direction and the goal, but the economic process

itself still remains the infinitely intricate operations of a thousand dove-tailing exertions of human ability, of the hand and the brain, the leaders and the led. What the development of the last generations has transmitted to us in the shape of tradition, selection, and adaption of the erstwhile leading sections cannot be relinquished and replaced without further ado."¹

Even as an instrument of political domination the Soviet Dictatorship was outside the range of German politics. Such a dictatorship would have been obliged to maintain itself by force, exactly as in Russia. In Russia, with its indifferent mass of peasants, and its feeble bourgeoisie, such a forcible domination might well be maintained for years. Not so in Germany, where the peasantry and the *petite bourgeoisie* are avowedly anti-socialist and where the middle classes are numerous everywhere. A German Soviet Dictatorship would have been civil war *en permanence*, a civil war increasingly destructive, ruinous, and brutal, which would have ended with the total paralysis of production, and the starvation of the town and industrial population. Moreover, the German Proletariat did not need the Soviet Dictatorship, because it was sufficiently numerous to be able to assert its power through the medium of a reasonable policy on the basis of democracy and parliamentarism. Consequently, Kautsky's exposition of the advantages of a peaceful and democratic development towards Socialism is valid at least for German conditions. "The social revolution is a profound transformation

¹ Dr. Hermann Beck: "Wege und Ziele der Sozialisierung."

peace was already an accomplished fact when the Revolution broke out, so that the mass of the soldiers were not connected by any strong bond of interest with the extreme Socialists.

For this reason it was inevitable that the course of events in Germany would differ from the Russian development, quite apart from the other important considerations to which we have referred, viz., the danger of civil war with the bourgeoisie and the peasantry in the event of a Soviet Dictatorship, and the risk of economic anarchy, which would arise from over-hasty and ill-devised measures of socialization on the part of the Workers' Councils.

Uninfluenced by the flaunted Russian example and the political and economic methods employed in Russia, the victorious German Revolution, in the clear knowledge of what was possible and necessary, ought first to have made secure the popular domination, by the complete overthrow of Militarism, by the dismissal of the governing bureaucracy, and by resolute demobilization measures. Having thus prepared the ground, it should have proved practicable to lay the foundations of a socialization policy. Several months would have been occupied in the execution of these socialistic measures of security, and during this time the People's Commissaries, supported by the Workers and Soldiers' Councils, would have found it necessary to make the most energetic use of their sovereign power.

After the secure foundations of a permanent proletarian domination had been laid in this wise, the direction of the further development of affairs

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would most naturally devolve upon a legislative assembly, elected by a democratic franchise. But all this presupposes among the leaders and rank and file of the Proletariat a degree of political experience and insight which would have facilitated resolute action on the part of the German working class. Unhappily, the German workers were all too deficient in these qualities. Instead of opposing a solid front to the common enemy, Militarism and Capitalism, after a truce of barely a few hours, the various sections of German Socialism, full of mistrust and hatred, attacked each other.

CONFLICTING CONCEPTIONS OF THE REVOLUTIONARY TASKS

The Imperial Government and the Governments of Prussia and of most of the other States were constituted by equal numbers of members of the Right Socialists and of the Independents. Although the impression of unity was given to outsiders, from the first day internal differences began to loosen the alliance of the two Socialist sections. Above all, there were two fundamental points regarding which agreement could not be secured: the summoning of the Constituent Assembly and the settlement of the military question.

At that time the majority of the Independents adhered to democratic principles, and recognized the necessity of the summoning of a national assembly, which would draw up a constitution. But they believed that the election of the Constituent

Assembly should take place only after the Socialist Government, supported by the Workers and Soldiers' Councils, had smashed the old military and bureaucratic machine, had made a sure beginning with socialization, and had so promoted popular enlightenment as to remove all fears of a return of the reactionary system. Thus Haase laid it down, in a speech of November 25th, that the Dictatorship of the Proletariat, with which it was sought to frighten large sections of the people, was immediately necessary. The most vital interests of the Proletariat required that the revolution should be securely anchored by dictatorship, so long as the power to do so existed. When this safeguarding of the Revolution and its achievements had been accomplished steps might be taken to summon a constituent assembly. But in the meantime the date of the summons must be postponed. With these ideas of the Independents the Right Socialists were in absolute disagreement. They, who up to the eve of November 9th had tried to hinder the Revolution, and, in alliance with the Centre and the Liberals, had endeavoured to transform the old system into a bourgeois democracy, felt ill at ease in a purely Socialist government under the burden of such extraordinary responsibility. From the start they entertained no warmer desire than to coalesce again with the bourgeoisie, and to transfer a portion of the heavy burden of government to the shoulders of their former allies. Thus from the beginning they were opposed to the notion that it was the duty of the purely proletarian revolutionary government, with the help of the Workers and Soldiers' Councils,

once and for all to liberate the country from the militarist and reactionary encumbrances, and to employ all measures to safeguard the Revolution. They held that the Constituent Assembly ought to be summoned as quickly as possible, even within a few weeks, so that this body might take over the formation of a new government and the direction of the country's destinies. .

Thus from the commencement the Government embodied two antagonistic tendencies—the revolutionary tendency of the Independents and the compromising tendency of the Right Socialists. And the tendency to compromise had already gained the ascendancy in individual States, such as Baden, where a coalition government had been formed with the bourgeois parties. Elsewhere, as in Breslau, a people's council, instead of a workers' council, had been formed, to which the bourgeoisie set the tone. This idea of a citizens' council naturally found great favour among the middle classes. In Berlin, during the early weeks of the Revolution, the Hansa League, an organization of financial and commercial capital, appealed for the formation of citizens' councils, which, it was thought, could be utilized as rallying points for the counter-revolutionary elements. Even at that time the Pan-Germans demanded that the citizens' councils should be transformed into citizens' guards, that is, white guards.

The feeble attitude adopted by the Right Socialists, and the little courage which they exhibited ~~for~~ the safeguarding of the Revolution, is chiefly to be ascribed to the policy which they had pursued

since the outbreak of the war. After observing the social truce for four years, and practising the policy of the most unprincipled opportunism, after regarding as the highest wisdom their shabby transactions with the bourgeois parties and with Militarism, they could not suddenly find themselves at home with the policy of the class struggle and proletarian independence. They lacked the sturdy and resolute self-confidence which was necessary to grapple with the solution of the internal and external problems, under such difficult and complicated circumstances. To the anxiety that the Entente might refuse to conclude peace with a socialistically inclined Germany was added the apprehension that the strength of the Proletariat would not suffice to maintain power, even for a few months, to carry out the necessary changes in the government of the State. And these fears were heightened by the mistrust entertained by the Right Socialist leaders for the revolutionary Left, whose intense bitterness was only too well known. The danger of "Spartacism" was considered to be greater than the danger from the Right. Finally, it was believed that a speedy election would redound to the advantage of the party, not only as against the bourgeoisie, but also as against the Independents. If the Socialist Left first found time, by building up an organization and a Press, to create a strong propaganda machinery, the electoral prospects of the Right Socialists would be diminished. So it happened that the Majority Socialists could not quickly enough divest themselves of the power which had fallen to them through the Revolution.

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As early as November 14th Ebert stated to a bourgeois interviewer : " We are firmly resolved to summon the Constituent Assembly as soon as ever possible. Any doubt which bourgeois circles may throw on this intention is entirely unfounded. We have already made the preliminary arrangements, and definitely propose to hold the election in January."

On November 18th Scheidemann wrote to the same effect in " Vorwaerts." The condition, accepted by the Right Socialists on November 10th, that the question of the Constituent Assembly would become a practical one only after the consolidation of the conditions created by the Revolution, was therefore broken within a few days.

The Independents vainly resisted the feeble policy of compromise of the Right Socialists. The sole concession they were able to secure was that the question of the date of the election should be referred to the Conference of Workers and Soldiers' Councils of Germany to be held on December 16th. This conference, however, revealed how slight was the desire of the great mass of the workers for dictatorship, and how the greater part of them trembled at the idea of seizing power. It was proved that the sentiments of the majority of the German people completely harmonised with the attitude of Scheidemann. The conference settled January 19th as the date, and the demand of " all power to the Workers and Soldiers' Councils," championed by the Spartacist adherents and the Left Independents, was rejected by an over-

whelming majority of the Workers and Soldiers' Councils." ¹

Haase's warning against a too hasty surrender of the plenary powers of dictatorship, which the Revolution had brought to the Proletariat, was unavailing; neither the Majority Socialist leaders, nor the proletarian masses who blindly followed them, proved equal to the historical task. Nevertheless the ominous decision of the congress of the Workers and Soldiers' Councils would not have split the Socialists' governmental coalition, if the split amongst the Workers and Soldiers' Councils, which was completed at the Congress, had not rendered Socialist unity in the Government impossible. The significance of this fatal incident, which made the breach within the Socialist Government irreparable, and inaugurated the era of proletarian civil war, will be considered by us in another place.

The second important point of difference between Right Socialists and Independents in the Government related to the method of dealing with military questions. The Right Socialist People's Commissaries had neither the insight nor the courage to reduce Militarism to impotence at once. It was not in the officers' corps nor in the reactionary spirit of old Prussia that they perceived danger to lie, but in the alleged unbridled zeal of the masses for freedom and revolution. First there was the fear that the Western Armies would break up in the wildest disorder, creating a political and economic chaos, and come sweeping into Germany. For this

¹ "Die deutsche Arbeiter-Revolution, Gedenkschrift der Unabhängigen."

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reason, a fiery zeal, which was never displayed in the case of energetic measures, was put into the work of restoring the shattered disciplinary powers of the officers and generals.

Instead of reinforcing the authority of the Soldiers' Councils, and entrusting the direction of the retreat and the demobilization to new revolutionary organs, Hindenburg was again invested with the supreme command, and the generals and officers were assisted to recover their prestige and power.

Never was a revolutionary government at such pains to allow the real power to slip again into the hands of its born and sworn opponents, the most dangerous representatives of the old reaction. These senseless and suicidal tactics were justified upon grounds no more valid than the fear of anarchy and of the unruliness of the unfettered soldiers and masses of the people. As a matter of fact, it was precisely the sound sense and the democratic self-discipline of the soldiers which made possible an orderly retreat and a systematic demobilization. Not the influence of the officers, not the old blind obedience, but the Soldiers' Councils, guaranteed order. The disorganization was caused by defeat. In consequence of the military catastrophe, the battalions dissolved, the troops went hither and thither on their own account, crowded the railways and plundered the provision trucks. And the officers themselves were powerless in face of this disorder, until the Soldiers' Councils intervened. "What the officers would never have achieved, *they* effected within a few days. They calmed the excitement by means of sensible decisions. Under the direction

of the councils the most sober elements gained the upper hand. The masses of troops, who offered passive resistance or open opposition to the strict and at one time dreaded commands of their officers, submitted to the freely chosen authorities of democratic leadership. By democracy was the orderly conduct of the retreat secured. In the absence of democracy the retreat would have been accomplished in circumstances of absolute anarchy. The authority of the officers became operative in the course of the retreat only in so far as it was supported by the authority of the Soldiers' Councils."¹

Although the Independent People's Commissaries were persuaded by the insistence of the over-anxious Right Socialists to acquiesce in entrusting the direction of the retreat to Hindenburg, they took up with all the more energy the struggle against the militarist arrogance which so quickly reappeared ; for the reaction and the overawed officers had scarcely gained a breathing space when their enmity of and intrigues against the Revolution broke out afresh.

Unfortunately, after a few days, the soldiers themselves lapsed into political indifference. Their only desire was to reach home once more, and recuperate from the fatigues of the war and the retreat. But the army authorities did all in their power to extinguish the revolutionary spirit. The governmental ordinances regulating the Soldiers' Councils were often distorted, and the councils

¹ Otto Lehmann Russbultdt: "... Warum erfolgte der Zusammenbruch an der Westfront."

themselves rendered as insignificant as possible. Cautiously at first, and then more and more boldly, all kinds of harrowing stories about the progress of the Revolution were spread. The red flags soon disappeared, and when the border was crossed a nationalist ensign most often prevailed. The spirit which animated the Supreme Army Command is indicated by its "Instructions," which recommended to the officers definite precepts for influencing the troops. One of these "Instructions" was as follows: "Order and security in the homeland will again appear only with the return of the field army. It is, however, an indispensable prerequisite that the field army should once more be placed under the firm control of its leaders, and that it should be convinced of the high importance and absolute necessity of protecting Germany from Bolshevism. When the field army crosses the western border precautions must be taken to prevent contamination by the revolutionary influences in the locality, which exist also in the Workers and Soldiers' Councils. It is preferable that any conflicts which might arise in that quarter should be decided in favour of the field army." This Instruction went on to attack the "Independents and the Spartacists," to calumniate and besmirch the Revolution, and to recommend to the field army the duty of supporting the Ebert Government, in order to rehabilitate its authority, "in co-operation with the bourgeois elements." The reactionary officers, thus encouraged by the Supreme Army Command, became hourly more assertive. The red flags were everywhere suppressed. In crossing

the border, a general of a Bavarian division sent his greetings to the deposed Grand Duke, and, in the Orders of the Day, notified his troops of this provocation. Another general of a division ordered a man in Bonn to be arrested on the spot because he had not saluted him. In order to strengthen the anti-revolutionary sentiment, iron crosses and medals were lavishly distributed, and, as a result of these systematic practices, many soldiers again fell into strict subordination to their officers, as in the heyday of Militarism.

The Independents uttered warnings and raised the alarm in the Government and in the revolutionary organizations, but in vain. The Majority Socialists seemed to be smitten with blindness. "Never before had a government resigned to the discredited and fanatical representatives of the counter-revolution the real power—the power of rifles and machine guns—with such levity as did Scheidemann, Ebert, Landsberg, and company. . . . That German Right Wing Socialism so treacherously threw itself into the arms of the generals and the officer caste is to be explained by its progressive receptivity to militarist sentiments and ways of thinking, caused by its war policy. These renegades of Socialism had lost all confidence in the resources of a Democratic and Socialist policy. Their bad consciences told them that each day they enjoyed less sympathy among the proletarian masses. Consequently they saw in the revolutionary masses their natural opponents, and in their war-time friends, the officers, their natural allies." ¹

¹ Heinrich Ströbel: "Die Kriegsschuld der Rechtssozialisten."

EARLY INTER-REVOLUTIONARY STRUGGLES

Whilst the Right Socialists, in blind fear of the revolutionary instincts of the masses and of Bolshevism, were making the most suspicious and dangerous concessions to Militarism, the supporters of the Spartacus group carried on a propaganda in which all sense of political and economic realities was lacking, and which was admirably suited to lend ostensible support to the revolutionary fears of all bourgeois and Right Socialist philistines. Even in the first days of the Revolution the antagonistic moves of Right Socialists and extreme Left Socialists began. The faint-heartedness and lack of revolutionary energy and sense of duty of the former impelled them to seek a coalition with the bourgeoisie and even with reactionary Militarism in its primitive form. By this means they drove the increasingly distrustful proletarian storm troops into the camp of Spartacism; while the latter, in its turn, by its impracticable demands and its unscrupulous methods of agitation, scared the Right Socialists into straying yet farther along the bourgeois path. Unfortunately, it was such meritorious pioneers of the Revolution as Liebknecht and Rosa Luxemburg who, in their passionate anxiety for the safeguarding and extension of the Revolution, allowed themselves to drift into a policy of blind resentment and exaggerated radicalism.

As Karl Radek was subsequently obliged to admit,

there were no prospects whatever of establishing the permanent Soviet Dictatorship in Germany, which the Spartacists declared to be necessary. The dictatorship of the Proletariat could only be an expedient to last a few months, and serve the purpose of rendering Militarism harmless, breaking the omnipotence of the Bureaucracy, placing Democracy on a firm footing and laying the first foundations for Socialization. All further labours would have to be reserved for the Constituent Assembly and the National Assembly which would follow it.

But if, during such a provisional dictatorship, the Proletariat had understood how to build up a powerful organization, and how, by means of an extensive and intensive agitation to win over to its side the majority of those people whose class situation disposes them to Socialism, it need not have had the slightest apprehensions about Democracy and Parliamentarism.

With the weapon of the ballot paper it could easily secure the parliamentary majority, and then by means of this majority build up, stone by stone, the edifice of democratic Socialism. Of course this could not be done without determination and the united action of the socialistic Proletariat. But this determination was frustrated by the mistakes and excesses of the extreme Right and the extreme Left of Socialism.

On November 18th, a few days after the victory of the Revolution, Rosa Luxemburg, the theoretical leader of the Spartacus group formulated the programme of this section in a newspaper article.¹

¹ "Die Rote Fahne," 18 November, 1918.

She demanded the systematic construction of Workers and Soldiers' Councils, even for the rural population, the summoning of an nation-wide parliament of the Workers and Soldiers' Councils as promptly as possible, and the creation of an enlarged committee as its executive organ. She demanded the formation of a red guard, the substitution of the administrative and juridical machinery by organs of the Councils, the confiscation of great landed property. "The agenda of world history reads to-day: Realization of the ultimate goal of Socialism." But this programme was only practicable in part. An immediate expropriation of great landed property, for example, would only have produced a famine, in view of the scarcity of food at that time. And there existed all too few of the qualities required for a radical transformation of the administrative organism of the State. The most serious miscalculation, however, was the expectation that the "National Parliament" of the Workers and Soldiers' Councils would have anything to do with the idea of Soviet Government. Thus the most essential items in the Spartacist programme rested on unfounded economic and political assumptions. The Spartacist criticism of the half measures and cowardice of the Right Socialists was to some extent quite justified; but instead of confining themselves to a struggle for what was practicable, Liebknecht, Rosa Luxemburg, and their supporters put forward such immoderate demands that they destroyed whatever influence they had. They pursued the same tactics in the economic struggles. It was to

be expected that whole masses of workers would embark upon wage movements, and demand a considerable reduction of working time. But the "Rote Fahne" welcomed the strikes because they created embarrassments for the Government, and accentuated the social crisis. And for the same reasons it mocked the Independent organ "Freiheit," because the latter had praised the attainment of the universal eight-hour day as a mark of revolutionary progress, instead of demanding the six-hour day.

The Spartacist movement, which also influenced a section of the Independents, succeeded in attracting a fraction of the workers and soldiers, and keeping them in a state of constant excitement, but it remained without any hold on the great mass of the German Proletariat. The daily meetings, processions, and demonstrations, which Berlin witnessed in November and December, 1918, deceived the public and the Spartacist leaders themselves into believing in a following for this revolutionary section which did not exist. But the appearance of things sufficed to intensify to a portentous degree the fears of Bolshevism entertained by the bourgeoisie and the Right Socialists, and to make the Spartacist tactics more and more aggressive and violent.

The agitations and demonstrations of the rabid elements, both of the Right and the Left, soon became so mutually provocative that bloody encounters and attempts at mass insurrection took place. In this hurricane of unchained political passions the Right Socialist People's Commissaries

lost their heads completely, and finally fled to the harbour of refuge of Militarism.

During the first days of the Revolution the Socialist Left had endeavoured to form a red guard of revolutionary proletarians. But the Soldiers' Councils of the Berlin regiments and the delegates of the Soldiers' Councils of the Empire, besides protesting "against the intrigues of the Spartacus people," took exception to this apparent proof of distrust, and the formation of the red guard was dropped. Instead of this, the Independent, Eichhorn, who had been appointed Chief of the Berlin Police, created a new police force numbering several thousands. That and the presence of the division of revolutionary sailors combined so to excite the mistrust of the Right Socialists that one of their members, Otto Wels, who had been, appointed Military Commander of Berlin only a few days later, began, in his turn, to organize a "Republican Militia," which was designed to hold the Spartacists and the Independents in check. No wonder that, in such an atmosphere of suspicion and mutual provocations, matters soon came to serious conflicts. During the night of November 21st, the first shots were exchanged between the revolutionary groups. Someone made an inflammatory speech at a Liebknecht meeting with respect to alleged arrests on the part of Wels, and a large crowd of people poured out of the hall and marched to the office of the chief of police, in order to demand the release of the arrested prisoners. The chief of police, Eichhorn, was able to convince the deputation that the police had no political prisoners in custody.

The crowd was about to disperse, when a motor lorry full of soldiers appeared, which the Commandant Wels had sent, unbidden, to the assistance of the police, and the soldiers began to fire on the crowd. In the scuffle which ensued men were killed on both sides.

How much the tension was increased by this encounter is shown by the circumstance that it was deemed necessary to order a contingent of the Berlin garrison to parade the streets on November 28th, to "reassure anxious citizens that the Government is capable of keeping peace and order here," to quote the words of the official news service. Noske, the later Imperial War Minister, who at that time was still Governor of Kiel, considered it necessary to induce a meeting of 800 sailors' representatives to pass a resolution of protest against "the latest *coup de main* of the Spartacists." The "Rote Fahne," however, wrote on November 24th: "The dependent Berlin City Commander has armed the Security Watch with ball cartridges against imaginary attacks from the Spartacists. The satellites of Wels and his colleagues incite the most ignorant of the soldiers against Liebknecht and his friends. We are continually receiving threatening letters and warnings. . . . Ours is a bold enterprise. To the day and the hour belong the Dictatorship of the Proletariat and Socialism. Whoever stands in the way of the storm chariots of the Social Revolution will be cut to pieces."

The excitement of the extreme Left was heightened by the challenging manifestations of the reaction. On December 1st the "Freiheit" reported the

organization of an "Iron Division," which would form a bulwark against a possible "invasion of Russian Bolshevism," and which later became the centre of the worst incendiary efforts of the counter-revolution. The next day the organ of the Independents published the news that the Commander-in-Chief of the 17th Army, General Von Mudra, had forbidden the wearing of red favours, had demanded the subordination of the Soldiers' Councils to the military authorities, had honoured Field-Marshal Hindenberg, and had stated the task of the army to be "preventing the spread of terrorist Bolshevism in Germany." Following upon small provocations of this kind, 2,000 non-commissioned officers and strong contingents of the guard, marched through the chief streets of Berlin, on December 5th, in order to prove that the militarist spirit was not confined to the officer caste. When, on the following day, a procession of unarmed men, drawn from a revolutionary soldiers' meeting held in the north of Berlin, formed up, in order to hold a counter-demonstration, they were met at a juncture of streets by Government troops, who, without need, began to fire so ruthlessly upon the demonstrators that numerous persons were killed or severely wounded. The Spartacists put the guilt for this slaughter upon Commander Wels, although he denied responsibility, and the revolutionary workers and soldiers still speak of the "bloodhound" Wels. Moreover, this unfortunate shooting coincided with an attempted insurrection on the part of the counter-revolutionary section of the Berlin troops.

Late in the afternoon of December 6th a strong contingent of soldiers, drawn from various regiments and classes of troops, surrounded the House of Lords and the Chamber of Deputies, with the object, as one of the leading companies which entered the building declared, of arresting the Executive Committee of the Workers and Soldiers' Council! Only the opportune appearance of revolutionary troops prevented further mischief. A great body of insurrectionary soldiers even appeared before the palace of the Imperial Chancellor, and their spokesman summoned Ebert, the Right Socialist People's Commissary, to assume the direction of government. "I have to put to Herr Ebert the plain question: Herr Ebert is now invited to become President of the German Republic. Will he answer this call or not; Yes or No?" It is to be regretted that Ebert did not simply and peremptorily forbid this impudent interference with the political affairs of the Republic, but answered evasively that he must first consult with his friends and the other People's commissaries. The reactionary revolt of the soldiery failed, thanks to the energy and alertness of the revolutionary workers and soldiers, but that it should have been possible at all shows how precarious the revolutionary power still was. The most gruesome incident was the shooting affray in North Berlin—the senselessly provocative massacre of Spartacists which was certain to bring passions to the boiling point.

The "Freiheit" of December 7th described the situation in graphic sentences: "For days all the

sewers of the great town have been opened and a slimy stream of the ugliest calumnies and of the lowest incitements against the leaders of the Revolution have poured over the town. 'Kill the Jews! Kill Liebknecht!' is pasted on hoardings and printed on hundreds of thousands of handbills. The bourgeois Press has done all in its power to poison opinion. Its tone becomes increasingly impudent; false alarms create an artificial nervousness. The leaders of the Revolution are dragged through the mud, and libelled as Jews or embezzlers of public money. The menials who have hitherto trembled before every Government now utilize the freedom which we have given them to loosen against us all the coarsest and lowest instincts. The consequences stare us in the face. The campaign of calumny must be stopped. The ramifications of the plots of the wretched tools of the counter-revolution must be discovered. This task must be relentlessly carried out." Unhappily it was not carried out. Because the Majority Socialists feared Spartacism and Bolshevism, they were prevented from taking such vigorous steps against the reaction as would have had a reassuring influence upon the incensed Left. More and more alarming grew the news from all parts of the country of the reinvigoration of Militarism. Thus, the "Freiheit" reported the appointment of a new general commander, named Lequis, whose officers tolerated no soldiers' councils. Members of this corps declared, "We will soon knock the Berliners on the head." So the idea spread among the masses of workers that the Right

Socialists had delivered up the Revolution to the Reaction, that the Independent members of the Government feebly allowed themselves to be kept in tow, and that the revolutionary workers themselves would be obliged to take up the defence. These sentiments found a strong expression in the protest meetings of December 8th. The Spartacus demonstration was attended by a vast crowd. Thirty thousand workers and soldiers marched through the town on this day, under the leadership of Liebknecht. Several motor lorries of soldiers were disarmed by the demonstrators. This did not prevent the President of the Reichstag, which had been dissolved by the Revolutionary Government, summoning, by means of a proclamation, a meeting of the discarded Parliament of the discarded Class and Military State. It is true that this action was wholly ineffective, but it revealed anew the disingenuous reactionary machinations, thereby adding to the suspicions of the Spartacists and Left Independents and bringing them nearer to the point of action.

This readiness for action led to an entirely spontaneous outbreak of the National Sailors' Division in the night of December 23rd. On account of their revolutionary sentiments, the Right Socialists, and particularly Wels, had for a long time desired to get rid of these men, who occupied the castle and the royal mews, and endeavoured to induce them to evacuate the castle. The sailors intimated their willingness to do so, provided they first received the pay that was due to them, amounting to 80,000 marks. As

Wels did not agree to this condition, the angry men made him a prisoner in the mews. As a result of negotiations which were at once entered into, in which Ledebour played a mediating part, the conflict, which had already caused the shedding of some blood, appeared to be on the point of a peaceful settlement, when, on the morning of December 24th, some of General Lequis' troops advanced against the castle and the royal mews. An officer presented to the sailors an ultimatum, which gave them ten minutes to surrender the castle and the mews to Commandant Wels, and deliver up the whole of their arms. When the sailors rejected these conditions, the castle was immediately bombarded. Thereupon, the castle was occupied by the troops, while the sailors remained in possession of the mews.

Finally, the intervention of the Independent People's Commissaries procured a suspension of the struggle. The troops retired, and the sailors gave up Wels. But it was the first time that the cannon of reactionary troops had thundered against revolutionary soldiers, and that a leader of counter-revolutionary troops had been entrusted to put down a Left Socialist revolt. The civil war against the Left commenced, with all ruthlessness, in the spirit of that brutal Militarism which was to assume such fearful shapes in all the subsequent struggles of the German Revolution.

We repeat! The agitation of the extreme Left had been guilty of deplorable extravagance. Liebknecht, Rosa Luxemburg, and their supporters had put forward many impracticable political and

social demands, and by their bitter and frequently unjust criticism of all the actions of the Government had helped to create that incensed feeling among the radical sections of the workers and soldiers which impeded the co-operation of the proletarian forces, so essential for continuing the Revolution on rational lines. But the agitation of the Spartacists would never have secured such firm foothold or found such a strong response among the workers, if the Right Socialist People's Commissaries had not, by their blindness to the counter-revolutionary intrigues, created the impression that, in their hands, the achievements of the Revolution would soon vanish.

As the Reaction raised its head ever more boldly, as the Revolution and its instrument, the Workers and Soldiers' Councils, were ever more shamelessly traduced, and as the attitude of the Right Socialists towards these intrigues became increasingly weak and tolerant, so all the more easily the idea became fixed in the minds of the energetic sections of the Proletariat that the Revolution had been hopelessly bungled by compromising half-measures, and that the position must be retrieved by a real revolution. And instead of contradicting this impression by imparting instruction, above all by demonstrative action, by vigorous protection of the Revolution, by repudiation of militarist pretensions, and by promptly embarking upon Democratic and Socialist measures, the Right Socialist leaders, out of stupid fears of Bolshevism, began to cultivate a new militarism, which was destined to crush relentlessly the hated Left. No wonder that, in view of

such senseless tactics on the part of the Left and the Right, the Revolution was fated to lapse into civil war of the most bloody description.

THE INDEPENDENTS LEAVE THE GOVERNMENT

The Independent Socialists, who had entered the Government on November 10th, had occupied a difficult position during the weeks that followed. Although the Right Socialists had conceded to them an equal number of seats, they were not in a position to carry out their intentions, in view of the weakness of their proletarian support, the opposition of the Right Socialists, and the dead weight of the refractory government bureaucracy (which it had not been found possible to dismiss owing to the lack of experienced and expert substitutes). Instead of taking the initiative, the Independents were obliged to restrict themselves to preventing the worst, and even in this they only partly succeeded. In their opposition to decisive revolutionary policy, the Right Socialists not only had behind them the entire bourgeoisie, the whole of the officers' corps, and the officials, but also by far the greater part of the soldiers and the socialistic proletariat. They were supported, not only by the trade unions, but by strong, well-organized political organizations, against which the Independents could place only feeble auxiliaries. There were also far more disciplined forces and intelligence at the disposal of the Right Socialists, especially as, since the Revolution, they had received the accession of a strong con-

tingent of officials, employees, engineers, teachers, etc. The Independents lacked mass support and the resources necessary for agitation and organization. A section of the existing Intelligentsia, moreover, had gone over to the Spartacists, who ridiculed the idea of a Socialist coalition policy, and placed every obstacle in the way of the Independents in the Government. There also existed among the Independents, who were not attached to the Spartacus League, a Left Wing, led by Ledebour, Däumig, and Richard Müller, which would have nothing to do with political co-operation with the Right Socialists, which rejected Democracy, and held it to be necessary to establish a Soviet Dictatorship, after the Russian example. It is easy to perceive that, in face of such enormous difficulties, the attempts of Haase, Dittmann, Barth, and their Independent ministerial colleagues in Prussia to adopt a policy based on Democratic and Socialist principles were bound to fail.

Haase and his colleagues sought to introduce a new, democratic, socialist and internationalist spirit into foreign policy just as vainly as they tried to prevent capitulation to the generals and the officers' corps and the rise of the new Militarism. If a tolerable peace was to be extorted from the Entente, it was necessary not only to acknowledge the full measure of guilt of the deposed Emperor, of the previous Government, and of the defeated Militarism, but also to bring these facts to the knowledge and realization of the widest circles of the people. Only in this way would the breach with

the old accursed system be visibly and positively completed. But in spite of all the endeavours of the Independent members of the Government, in spite of all the pressure of the Prime Minister of the Bavarian Government, Kurt Eisner, who boldly proceeded to publish revelations of German war guilt, the German Right Socialists could not bring themselves to abandon their old tactics of concealing the German war guilt. Instead of commencing a new foreign policy with new men, and making credible by the performance of deeds the conversion to a righteous policy and the League of Nations, all the hypocritical methods of the discredited diplomacy of yesterday were persisted in. The nationalism of the Right Socialists indulged in fresh orgies. Completely oblivious of all the requirements of the new situation, stone-deaf to the counsels of the Left Socialists and reasonable members of the bourgeoisie, they allowed themselves to drift into the most foolish Polish Policy. It was necessary to accept as an unalterable fact the cession of the quondam Polish territory, and the irresistible pressure of the Poles to free themselves from the tutelage of the detested Prussian officialdom, even before the decision of the Entente Council. Tolerable relations with the Poles could only be created by meeting them in a reasonable spirit. Despite the warnings of the Independents, troops were sent to the mixed area ; warlike encounters were provoked—in short, the affair was so badly managed that eventually the inevitable happened : the Entente intervened with authority, and brought the nationalist adven-

ture to a sorry end. In spite of these troublesome conditions, the Independents in the Government held it to be their duty to stick to their difficult and thankless posts as long as possible. In the Greater Berlin General Meeting of December 15th the Party President, Haase, defended the participation in the Government for urgent reasons. If the Left Independents had no fault to find with the equal representation of Right Socialists and Independents upon the Workers and Soldiers' Councils, why should they complain of working in a government upon the basis of equal representation? The Spartacus League declared in the "Rote Fahne" that it would never have assumed the direction of government, except through the clear and unambiguous will of the great majority of the German working class. "If the great majority of the people are not yet ready for Socialism, what are we to do in the meantime? Are we to resign the government to the Bourgeoisie? The latter would be pleased to govern as it liked, and put back the Revolution." Haase also made an energetic attack upon the chief opponents of the election of the Constituent Assembly. Germany had no use for a slavish imitation of the Bolshevik Revolution. It was pledged to Democracy and Socialism. The Democracies of the West might not be ideal, but absolute freedom had been guaranteed for the election of the German National Assembly. Difference of opinion could only arise regarding the date. But if the national meeting of the Workers and Soldiers' Councils, to be held on December 16th,

should decide upon an early date it would be stupid to boycott the elections on that account. "You may rest assured that 99 per cent. of the Proletariat would not respond to the call of the boycott in order to await a real act of the Revolution. Are we to stand with folded arms and see a change for the worse in the fighting conditions of the Proletariat? Are we to refuse to use our weapons and to allow the bourgeoisie to seize the power of government? If we do not make preparations for the National Assembly we might as well dissolve the party."

Haase's rational attitude prevailed in this district general meeting. Despite the opposition of Liebknecht and Rosa Luxemburg, a resolution was adopted, the first clauses of which read: "The most important political task of the Independent Social Democratic Party is at this moment the organization of the elections to the National Assembly. The Proletariat must strain every nerve to achieve the victory of Socialism over the bourgeoisie."

The election question, therefore, did not lead to a government crisis, although the National Conference of Workers and Soldiers' Councils fixed January 19th as the date. However, it was not long before other circumstances arose which made it impossible for the Independents to remain in the Government. First, the Independent delegates to the Councils' Conference took the extremely unwise and ill-considered decision not to participate in the election of the Central Committee of the Workers and Soldiers' Councils. Certainly, this Councils' Conference, upon which even the Sparta-

cists had set great hopes shortly before, was "dominated by Right Socialists and soldiers who were weary of or hostile to the Revolution," to quote the expression used in an Independent report. Its proceedings and decisions could not give much satisfaction to the Independents. But this was no reason for refusing to enter the National Executive of the Workers and Soldiers' Councils, the body which constituted the controlling revolutionary authority of the Government. In boycotting this Central Committee the Independents robbed themselves of the last vestige of any direct influence they might have upon the Government. This is admitted by an Independent report: "This left the Right Socialists entirely free to pursue their counter-revolutionary policy." In fact, this complete isolation of the Independent members of the Cabinet would have been inconceivable folly, if it had not been inspired by the purpose of making the Government crisis acute, by means of an attack in the rear, to compel Haase, Dittmann, and Barth to leave the Government. In any case, the two sections of the Independent Social Democratic Party were here shown to be at loggerheads.

That the influence of the Independent members of the Government now touched vanishing point is proved by the course taken by the episode of the sailors, which occurred on December 23rd and 24th. Without the knowledge of the Independent members of the Cabinet the Right Socialist Peoples' Commissaries acquiesced in the sending of the troops of General Lequis against the naval division, which

was entrenched in the castle and the royal mews. The thunder of the cannon which bombarded the castle had inaugurated civil war in the grand style—a war between the old military power and the revolutionary troops and sections of the people, for which the Independents could not be held to bear any responsibility. They therefore addressed eight questions to the Central Committee of the Workers and Soldiers' Councils, and made their continuance in the Government conditional upon the answers they received. The question relating to the castle bombardment was answered evasively by the Central Committee, as were the questions whether the Central Committee approved of the projected transference of the Imperial Government to Weimar, and whether it sanctioned the contemplated creation of strong new military formations, and their subjection to the old rigid discipline and the old generals. Upon receiving this proof that the ominous policy of the Government encountered no serious resistance even among the Central Committee, Haase, Ditmann, and Barth resigned their positions as People's Commissioners. The most important reasons for their resignations were the following: "We cannot accept responsibility for the fact that a representative of the old coercive system is given arbitrary power over the lives of fellow-citizens.

"Our questions 5, 6, 7 (relating to the transfer of the Imperial Government to Weimar, and the militarist projects) are of decisive significance for the conduct of home and foreign policy in the spirit of the Revolution. As the Central Com-

mittee postponed its answers to these fundamental questions, the conquests of the Revolution are endangered."

Thus, on December 28th, the Independent People's Commissaries left the Government, and a week later the Independent Prussian Ministers followed their example. Henceforth the Right Socialists could do as they liked without hindrance, and, by making skilful and unscrupulous use of the follies of the Spartacists and the Left Independents, they transformed Germany into a gigantic armed camp and a colossal theatre of civil war.

CHAPTER IV

THE FIRST PHASE OF THE CIVIL WAR

THE LEFT PREPARES FOR ACTION

As early as December 24th the Right Socialist Government had despatched the troops of one of the old army leaders, General Lequis, against the revolutionary naval division. The formation of a new Militarism, and the alliance of the Right Socialists with these alien elements in a young Republic, date from December, 1918. But the systematic cultivation of this new militarism and the close friendship of the Government with the eager veterans of the old regime first began in January, 1919, at the time of the trial of strength between Right Socialists and Spartacists. The fact that to this day Prussian Militarism, under the direction of anti-socialist *condotierre*, constitutes a danger to democracy and the Republic, in spite of the failure of the militarist insurrection of March 13, 1920, and in spite of the disarmament pressure of the Entente, is to be traced back to the senseless creation of this mercenary army, to which the Right Socialists had recourse in their fear of Bolshevism and revolutionary upheaval.

Fear of the Revolution was a pitiable counsellor, but at this time it dominated not only the Right

Socialist Government, but also the Right Socialist sections of the workers. And during the turn of the year the Spartacists and the Left Independents did everything on their part to confirm the representation of the Right Socialist politicians, that the matter was a struggle for existence or extinction between democratic Socialism and insurrectionary Bolshevism. A fanatical defender of the Right Socialist Policy thus described the position at the beginning of January : " The Spartacists organized with the greatest zeal their Red League of soldiers, a separate organization of armed men, for the purpose of a forcible overthrow. The open air meetings and the processions organized by the Spartacist League very soon became armed demonstrations. The members of the Red Soldiers' League, equipped with all modern weapons of warfare, marched first. Then followed the lorries with mounted machine guns. The greater the number of these the prouder the Spartacists marched behind. What was bound to befall happened. Those who make use of such peaceful means of persuasion must not wonder if bloody encounters soon occur." ¹

This picture is rather overdrawn, and omits entirely the militarist-reactionary provocations, which brought such strong support to the Spartacist counter-demonstrations. But it cannot be denied that at that time the extreme Left prepared for a new revolution and believed they could overthrow the Right Socialist Government. At the end of December the Spartacist League had held a

¹ Ernst Heilmann : " Die Noske-Garde."

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national conference in Berlin, in which the most revolutionary elements gained the upper hand, even against Liebknecht and Rosa Luxemburg, who had recommended more moderate tactics in the matter of the Parliamentary elections. The National Conference of the Workers and Soldiers' Councils had fixed January 19th as the date of the elections to the National Assembly by the overwhelming majority of 400 votes to 50, and in face of such an expression of the will of the great mass of the workers and soldiers there was no prospect of hindering the elections. Liebknecht and Rosa Luxemburg could not shut their eyes to this fact, and therefore recommended their party to participate in the elections, if only for the purpose of revolutionary propaganda. The majority of the delegates did not support them, but followed the former Reichstag deputy, Ruhle, who declared: "If the National Assembly is removed from Berlin, we will establish a new Government in Berlin." Rosa Luxemburg tried vainly to make the Conference realize that the formula "Machine guns versus the National Assembly" would not do. By 62 votes to 23, a motion of Ruhle's was adopted, which called upon the party supporters throughout the country to place every obstacle in the way of the successful functioning of the National Assembly. This resolution was all the more foolish, as neither in the Empire nor, as was soon shown, even in Berlin itself, did its supporters have the means at their disposal to carry out successfully the "sabotage" of the National elections. This challenge had the effect of strengthening the Right Socialists in the

opinion that attacks from the Spartacists were to be anticipated, and that these disturbers of the peace must be crushed with all ruthlessness.

The National Conference of the Spartacists, or, as they called themselves henceforth, the "Communist Party of Germany" also revealed the fact that the Left Wing of the Independents had secretly negotiated with the Spartacists. The negotiations were conducted between the revolutionary shop stewards and the Spartacus League, and among the representatives of the revolutionary shop stewards were Ledebour, Däumig, and Richard Müller. The object of these negotiations was the fusion of the Left Independents and the Spartacus League into a new party, by means of which the Right Wing of the Independents, under Haase and Kautsky, would be left in the cold. This unity of the revolutionary Left did not come to pass, because the Spartacus League would not abandon its dogmatic anti-parliamentarism, believing it could seize power for itself without the help of Ledebour and Däumig. The "Freiheit" of January 2nd, wrote as follows regarding this plot directed against its own party: "The comrades in Berlin and in the country will learn with astonishment and indignation of the party-destroying intrigues which, under the leadership of Ledebour, Däumig, and R. Müller, are aimed at disrupting the party from within. Behind the backs of the party, without advising our representatives, they desired to make secret use of the moral influence of the revolutionary shop stewards, in order to lead our supporters into the camp of another party."

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On the whole, it was a pity that the fusion between the Left Independents and the Spartacists did not take place at that time. Freed from their influence, the Independents would have been able to pursue a more consistent policy. As, however, Ledebour, Däumig, and Müller remained attached to the Independent Social Democratic Party, this party gradually came to represent a strange and disagreeable medley of democratic-socialist and insurrectionary-communist views.

On January 1st the President of the Independent Social Democracy, Hugo Haase, published a review of the first phase of the Revolution, which vigorously impeached the lack of insight in the party: "When the Independent Social Democratic Party sent representatives into the Government its task was clearly marked out. It was bound to work hand in hand with these representatives, in order to strengthen them; and, with their co-operation, to urge forward the Majority Socialists. Influential members, however, practised other tactics, to the detriment of the party. From the beginning they conducted a violent campaign against their comrades in the Government, thereby impeding the activities of the latter and sowing confusion in the ranks of the party. Naturally criticism within the party should not be stifled, out of consideration for the members of the Government. Such criticism would have been most fruitful, whereas the continuous campaign against the participation in the Government paralyzes us and disrupts the party.

"During the war the Independent Social Demo-

cratic Party understood how to penetrate through nebulous phrases to actualities, and was able to foresee how things would shape. Now in the critical period of the Revolution it is otherwise. A section of the party is chasing artificial theories, and thus whittles away its strength, which is so urgently required for the enlightenment of the still untrained masses."

Unfortunately, Haase, the clearest and wisest member of the executive of the Independent Social Democratic Party, no longer possessed the authority which had been his during the war. Minds had been too much inflamed by the stormy events of the Revolution, and the passionate harangues of honest fanatics and popularity hunting demagogues had wrought too much mental confusion for reasonable exhortations to receive any general approbation.

Nevertheless, Heilmann's account is false and one-sided when he writes : " Since the Independents left the Government their language becomes daily more impetuous and violent, and they approach closer and closer to the Communists. At their first conference which was held in the last days of November, Radek, fulfilling his instructions from the Russian Soviet Government, called upon the German workers to eject the Ebert-Scheidemann combination, and, in its place, to set up a ' genuine ' revolutionary government, which, in alliance with Russia, would embark upon a new war with Entente Imperialism on the Rhine. Ardour for war was at that time the distinguishing characteristic of the Communists and Independents." The Radek

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provocations of the Right Socialists to give power to the reckless elements, and render civil war inevitable.

THE CRUSHING OF SPARTACISM

As the Ebert-Scheidemann Government and the Right Socialist Prussian Ministers held Spartacism to be their most dangerous opponent, they bent all their energies to the task of reducing the revolutionary Left to impotence. In the same way as an attempt was made, in December, to disarm the naval division, efforts were now made to deprive, the Independent Chief of Police, Eichhorn, of his control over the men placed under him, by simply relieving him of his post. On November 9th Eichhorn had compelled the police head-quarters to capitulate, and was consequently appointed Chief of the Berlin Police by the Workers and Soldiers' Council the next day. At the time this went against the grain of the Right Socialists, who jealously strove to gather all power into their hands. And as the Prussian Ministry was composed of Right Socialists and Independents, the Right Socialists used all their powers of persuasion to induce Eichhorn to accept the Ministry of the Interior, in order that the Right Socialist, Eugen Ernst, might become Chief of the Berlin Police. Eichhorn, however, insisted upon retaining the post already entrusted to him.

During December there was repeated friction between the Right Socialist Commandant, Wels,

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and the Independent Chief of Police. Wells had created his Republican Guard, which was to comprise 12,000 men; on the other hand, Eichhorn had formed a Security Police of 3,600 men, in addition to the ordinary police. Numerous doubtful persons were drafted into this police force, and the Right Socialist Prussian Ministers pressed for their speedy expulsion. Eichhorn promised energetic action. It was not, however, the moral purging of the Security Police that was aimed at, but the displacement of the Independent Chief of Police, whose arrangements would not fit in with the Right Socialist policy. The whole tactics of Commandant Wells were shaped by the struggles with the Left while Eichhorn manifested patience and sympathy with Spartacism. When, for example, the Republican Guard occupied the offices of the "Rote Fahne," a detachment of the Security Police intervened in favour of the Spartacist journal. Such incidents were not of an isolated nature. "Between the soldiers of the Republican Guard and the Security Corps of the Chief of Police friction was a daily occurrence."¹

The Right Socialists were especially bitter at the fact that during the attack of the Potsdam troops upon the Naval Division the Security Police had taken the part of the sailors. The most serious complaint of the Right Socialists against Eichhorn was that, on this occasion, he had equipped 1,500 workers with weapons wherewith to engage the troops of General Lequis. Eichhorn stoutly contested the accuracy of this assertion. Naturally he did not

¹ Eichhorn: "Über die Januar Ereignisse."

deny that he supported the Left Wing of the Independents and strongly disapproved of the compromising policy of the Right Socialists: "In this struggle for political power I was sharply opposed to a government of Right Socialists, from whom the carrying on of the Revolution upon socialist lines was never to be expected." At a Berlin meeting of officials, held on December 28th, Eichhorn had recommended an approach to the Left, and is reported to have said: "It still appears questionable whether the National Assembly will meet at all."

When the Independents severed their connexion with the Government, the Right Socialists immediately tried to discharge Eichhorn. A semi-official correspondence assailed him with great malice, and demanded his retirement. For his part, Eichhorn informed an interviewer that he had no thought of resigning his office, as he had been placed in this post, not by the Government, but by the revolutionary Berlin Proletariat. Instead of endeavouring to relieve the tension gradually by means of a compromise, the Right Socialists, who had shown such unbounded forbearance towards all the demands of the bourgeoisie and the militarists, immediately had recourse to stern measures. On January 4th the post was simply declared vacant, after holding an enquiry on the preceding day, which Eichhorn described as a farce. Eugen Ernst was to take over the duties of the position on the same day.

The great majority of the Berlin workers regarded the step as an open declaration of war. Their

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representatives answered this challenge by summoning mass demonstrations. An appeal, which was circulated on Sunday morning, January 5th, read: "The Ebert-Scheidemann Government intends, not only to get rid of the last representative of the revolutionary Berlin workers, but to establish in Berlin a regime of coercion against the revolutionary workers. The blow which is aimed at the Berlin Chief of Police will affect the whole German Proletariat, and the German Revolution."

The Sunday demonstrations were attended by enormous crowds. A powerful contingent made its way to the police head-quarters, where Ledebour, Däumig, and Liebknecht delivered speeches to the excited multitude. As the crowds dispersed separate contingents formed, which poured into the newspaper quarter, and there took possession of the great newspaper buildings, Mosse, Ullstein, Scherland, Buxenstein, and above all "Vorwaerts," This happened without the intention or even the knowledge of the participating organizations, the leaders of which first heard of these proceedings in the evening, when they met to consider what further steps should be taken. "The meeting was not overjoyed at the news, for this occupation of the newspaper offices, which was not contemplated in the plan of the demonstration, hindered free discussion upon further measures."¹ But as the struggle of the Left against the Right Socialists had been decisively commenced, and as a victory of the Left was expected from the temper of the

¹ Eichhorn.

masses, it was decided to continue the struggle, and to intensify it by proclaiming a mass strike.

The summons to a general strike, signed by the revolutionary shop stewards, the Berlin organization of the Independent Social Democratic Party and the executive of the Communist Party, concluded with the words: "Throw yourselves into the struggle for the power of the revolutionary Proletariat. Down with the Ebert-Scheidemann Government!" This slogan "Down with the Ebert-Scheidemann Government!" expressed the decision of the representatives of the organizations to pass from the defensive to the offensive, and to overthrow the Right Socialist Government. The question of the chief of police had fallen completely into the background, as Eichhorn admits. And another of the principal persons implicated, Ledebour, avowed with great frankness, when on trial for sedition, that, on the evening of January 5th, the majority of the representatives of the organizations concerned had resolved to put an end to the Ebert-Scheidemann Government, and to install a Left Socialist Government in its place. A provisional committee, with Ledebour, Liebknecht and Scholze as presidents, was to assume direction of the struggle, and, later, the conduct of the business of government. The intentions of the representatives of the organizations, who had first of all proclaimed a general strike, was made perfectly clear by a document, signed by Scholze and Liebknecht, which declared the Ebert-Scheidemann Government to be deposed, and which fell prematurely into the hands of the Right Socialists.

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Later it was asserted by the Left Socialists that the Right Socialists had set a trap for the Left, and seduced the Spartacists and the Left Independents into precipitate and hopeless aggression. The Right Socialists repudiated such an artifice. The Left must have had an overweening confidence in its own strength to have embarked upon a struggle with the expressed majority of the people, which included, at the same time, the majority of the working class. Every intelligent person must have known that the greater proportion of the workers and soldiers at that time supported the Right Socialists. This had been shown at the National Conference of the Workers and Soldiers' Councils scarcely three weeks before. All strategical calculations, therefore, were built on quicksands. "It was reported," said Ledebour during his trial, "that, in addition to the working class, the Berlin garrisons were also on our side. Not only the national naval division, but practically all the regiments were ready to take up arms and place themselves at the head of the Berlin working class to overthrow the Ebert-Scheidemann Government. We received, further, the news that in Spandau great masses were ready to rush to our help in case of need, with 2,000 machine guns and 20 cannons. We received similar news from Frankfurt-on-Oder." All this, however, was nothing more than vague suppositions and unfounded hopes. Even the revolutionary section of the Berlin troops, the naval division, had published a declaration, on January 1st, repudiating all connexion with the Spartacus League. During the struggles of

"Spartacus Week" they also proclaimed their neutrality. Their example was followed by the regiments in Berlin and other places, the active support of which had been relied on. To plunge into a struggle, with such extravagant expectations as those entertained by Ledebour and Liebknecht, argued a complete blindness to realities, and an almost superstitious belief in revolutionary illusions. This was indeed recognized by experienced persons like Däumig and Richard Müller, who at that time refused their support and co-operation.

On January 6th, the general strike made a good start, but the Government did not think of resigning on that account. The Right Socialists had instructed their supporters to attend the demonstrations and protect the Government buildings, and many thousands filled the Government quarters. On January 5th Scheidemann made a speech from a window of the Chancellor's palace, and said that an end would have to be made of the "abominations" which prevailed in Berlin. It could not be tolerated that a minority should impose its will on a majority. He gave the assurance that the Government would proceed against the minority with all energy. The Government would summon the soldiers to its protection. As cries were heard of "To arms! To arms!" Scheidemann, raising his voice, replied: "Yes, we will arm the masses! Not, of course, with cudgels, but with rifles." On January 7th the Government approved the formation of volunteer corps. A regiment was immediately recruited of Majority Socialists and trade unionists, consisting of about

5,000 men, having its head-quarters at the Reichstag. At the same time the Government summoned the erstwhile Governor of Kiel, the Majority Socialist, Noske, to come to Berlin in the capacity of military organizer. He also joined the Government. Noske immediately put himself into touch with various troop commanders, in order to send against the Berlin workers a fighting force composed of *soldiers*.

On January 11th he returned from Dahlem to Berlin with the first 3,000 men. The crushing of the masses of armed workers with all the resources of modern warfare and unexampled brutality was then begun.

While the Right Socialists were thus arming and preparing for the decisive blow, Ledebour, Liebknecht, and their followers saw the armed force behind them gradually melting away. Not a regiment joined the revolt—not even the naval division, which had declared its neutrality on January 6th. Likewise no assistance was forthcoming from Spandau and other places. The number of armed workers was insignificant. It just sufficed to hold the occupied newspaper buildings for a few days. After the first twenty-four hours the position proved to be completely hopeless.

The more prudent leaders of the Independent Social Democratic Party, who had seen the enterprise resolved upon over their heads under the pressure of the Spartacist elements, did the only thing in this situation which was likely to stave off disastrous consequences to the working class—they offered their mediation to both sides. On

January 6th the Central Committee of the Independent Party proffered its services for the setting up of a mediating committee. The Berlin Central Executive of that party signified its assent, and the Committee of Action of the revolutionary workers, by 51 votes to 10, also declared for mediation. The negotiations for parley began on Monday, January 6th, and continued on Tuesday, Wednesday, and Thursday, unfortunately without result. The Right Socialists, before anything else, insisted on the immediate and unconditional evacuation of the occupied newspaper buildings, especially "Vorwaerts," while the Spartacists wanted to accept the condition only as part of the general understanding. Thus the deplorable shedding of blood, the first act of a proletarian civil war which was to last for more than a year, could not be prevented on account of an absurd dispute about formality. Ledebour asserted that the whole proceedings were only a dishonest manoeuvre on the part of the Government in order to hold back the Spartacists and enable all preparations for ruthless action to be made; for on Friday the Government seized a worthless pretext to break off negotiations, and on Saturday the soldiery proceeded to the attack. However much the fault may have lain with the obstinacy of the Spartacists for the failure of the mediatory efforts, the Right Socialists bore the principal share of responsibility for the militarist fury which now broke out, for the complete sundering of German Socialism, and for all the triumphs of a maliciously joyful reaction; for a Socialist Government which was not lost to

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all sense of duty towards the Proletariat would not resort to brute force as long as there was a spark of hope for a peaceful solution of the conflict. And this hope grew from hour to hour ; the more the impotence of Spartacism was revealed the stronger the military resources of the Government became. That the enormous majority of the Berlin and the German Proletariat desired an accommodation and not the civil war and the triumph of a section, is more than sufficiently proved by the innumerable manifestations of the working class. Forty thousand workers employed in the General Electricity Company and in the Schwartz Kopf undertaking unanimously demanded a peaceful solution of the internecine strife. The naval division advocated just as urgently " the path of negotiation." Kurt Eisner and the workers of Munich, and workers and soldiers from hundreds of places, urged pacification. Naturally the bourgeois Press incited the Right Socialists to employ force. The leading organ of the Centre Party, " Germania," derided the Government for not having the courage to meet force with force. " Any compromise would mean fresh defeat for the Majority Socialists, and the final proof of their inability to bring peace and order to Germany."

It is regrettable that the Right Socialist Government did not listen to the warnings of the Socialist masses, but instead gave heed to the instigations of ambitious members of the party, who aspired to absolute control, and to the promptings of capitalists and militarists, who saw their time again approaching. Instead of opening the way to an honest and

reasonable accommodation with the Proletarian Left, they continued their armed preparations without interruption. They proceeded to the formation of officers' battalions. Through Noske, they invited the nationalist students to join the volunteer corps, and carelessly empowered every colonel and general to organise battalions of reactionary and adventurous spirits. And when the soldiery, organized in this manner, became strong enough, they extracted permission from the all-too-complaisant Government for armed intervention. After most of the occupied buildings had been recaptured by the Government troops, in the course of the week, the "Vorwaerts" building was stormed by the Noske troops on Saturday morning, and early on Sunday the garrison of the police head-quarters was obliged to lay down its arms. Some of the prisoners were mishandled in the most fearful manner. A number of prisoners belonging to the "Vorwaerts" garrison were most brutally murdered in a court of a neighbouring barracks! With this the movement which started on January 5th completely collapsed. On January 13th the central executive of the Independent Social Democratic Party and the revolutionary shop stewards declared the general strike to be at an end.

In his book, Eichhorn dedicated the following epilogue to this first tragedy of the German civil war: "If, after nine months, one revives to-day the memory of those exciting days, it becomes quite clear that the Berlin Proletariat was sacrificed to the carefully calculated and artfully executed provocation of the Government of the day. The

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Government sought the opportunity to deal the Revolution its death-blow ; the January movement offered this opportunity ; although to some extent armed, the Proletariat was in no way equipped for serious fighting ; it fell into the trap of the pacification negotiations, and allowed its strength, time, and revolutionary fervour to be destroyed. In the meantime the Government, having at its disposal all the resources of the State, could prepare for the final subjugation." This partisan account misrepresents the sequence of events. The dismissal of Eichhorn was certainly a provocation ; but Eichhorn, Ledebour, and their Spartacist friends had helped to provoke the conflict by the extreme policy they pursued and the part they played in accentuating the antagonism between the Socialist Parties. The Left Independents and the Spartacists, as well as the Right Socialists, were bent upon ruthlessly appropriating the political power. They welcomed the brutal trial of strength as much as the Right Socialists. And they succumbed because, as bad strategists, they allowed themselves to be pushed into a decisive struggle under the most unfavourable conditions. Their defeat is to be ascribed to their own foolhardiness and their over-estimation of their own strength and not to the pacificatory action of the executive of the Independent Social Democratic Party, which failed as much on account of the obstinate fatuity of the Spartacists as because of the Government's lack of good-will. Karl Kautsky was absolutely right when, on January 13th, he sharply criticized insurrectionary tactics of the Spartacists and placed

on record the bitter truth that Militarism had awakened to new life, through the fault of those who were pledged to combat it.

THE MURDER OF LIEBKNECHT AND ROSA LUXEMBURG

The Militarism which the Right Socialists called to their assistance, against the Left wing of the Proletariat, made haste to honour the reputation which it had earned during the war. On the morning of January 16th the shocking news swept through Berlin that on the previous evening Karl Liebknecht and Rosa Luxemburg had been arrested, and murdered by a furious crowd in the West End of Berlin. That is, the news had a staggering effect upon the workers and the Socialists; the bourgeoisie were delighted at the brutal murder, and showed beaming countenances in the streets and in the public places. At first the workers would not credit the startling news, but the official intimation removed all doubts. According to the official military report, the automobile which was conveying Liebknecht broke down in the Zoological Gardens, and it was necessary to make the rest of the journey on foot. Liebknecht was alleged to have made an attempt to escape, and in doing so was shot. Rosa Luxemburg, however, was lynched by a frenzied crowd as she was about to step into the automobile. Her corpse was dragged away, and up till now had not been discovered.

Liebknecht and Rosa Luxemburg enjoyed an unexampled popularity among the revolutionary

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Proletariat, and especially among the Berlin workers. For years they had figured as the real champions and martyrs of the Revolution. Rosa Luxemburg had spent the greater part of the war period in Prussian prisons. At the outbreak of the war she was serving one year's imprisonment, to which she had been condemned for an offence against Prussian Militarism. Benevolent as this Militarism showed itself to those Right Socialists who concluded with it the infamous "civil truce," and patriotically voted the war credits, it had no indulgence for such an irreconcilable foe of German Militarism and such an unyielding exponent of Socialist principles as Rosa Luxemburg, who would indeed have scornfully refused any pardon. After serving the full term of imprisonment, this brave woman immediately threw herself into the struggle against the war and against the Social Imperialists. But her articles and pamphlets and her organizing influence soon became so inconvenient to Militarism that the valiant woman was speedily put into prison, from which she was freed only by the Revolution. And Rosa Luxemburg, whose caustic pen had not rusted in jail (by secret paths many pamphlets from her pen found the way to publicity), became the editor of the "Rote Fahne" in November, and, during the weeks of the Revolution, was, after Liebknecht, the most passionate propagandist of Spartacism. Even those who considered her revolutionary tactics to be mistaken, and opposed them, admired the brilliant qualities and the passionate devotion of this extraordinary woman.

Liebknecht was similarly renowned among the

revolutionary masses. His courageous attitude in the Reichstag, where he was the first to oppose the war credits and to dare to denounce the war as a wanton imperialist adventure, won for him ardent supporters, and his demonstration on May 1, 1916, and the four years' imprisonment which it cost him, had made him the darling of the masses, before he tried to drive the Revolution forward by means of inflammatory speeches. And both these fervid pioneers and martyrs of the Revolution, who were surrounded by a kind of halo in the eyes of hundreds of thousands, had now been murdered by a reactionary mob! Nobody believed that Liebknecht had fallen a victim to an attempt at escape.

The summons to a protest strike, which the "Freiheit" published on January 17th, gave expression to the feelings of large sections of the workers. This appeal contained the following paragraphs: "every working man and working woman, even if they did not agree with them, knows what Karl Liebknecht and Rosa Luxemburg achieved for the working class and for Socialism, and with what devotion and sacrifice they have always fought for the Proletariat.

"These shameful deeds are the inevitable consequences of the obloquy incurred by all those who are in earnest about the establishment of a Socialist Republic. As in former revolutionary epochs, so in our day, the leaders of revolutionary thought are libelled as robbers, murderers, and bandits, and regarded as lawful prey by an unbridled soldiery,

"The Ebert-Scheidemann, Noske Government, which still dares to call itself Socialist, is so

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infatuated as to allow its mercenaries to do as they please. They armed the officers and sons of the bourgeoisie against the working class. Wholesale shootings have taken place. Arrests follow upon arrests.

"For all these horrors the Government of Ebert-Scheidemann, Noske, and Landsberg is responsible.

"It has conjured up the spirit of force, and is even now the tool of its own myrmidons."

The corpse of Liebknecht, and likewise the corpse of Rosa Luxemburg, which was not discovered and could not be buried until months later, were followed by hundreds of thousands. These funerals were the most impressive mass demonstrations that Berlin had ever seen. In the meantime the general indignation was increased by all the facts which had come to light concerning the murders of these two martyrs of the Revolution. It transpired that the official military report was barefaced lying from beginning to end. Liebknecht did not attempt to escape, nor was Rosa Luxemburg killed by a mob of people. Both were brutally and deliberately murdered by uniformed men. The chief guilt rested with officers, and this unspeakable atrocity remained unpunished! The murderers were tried before a court martial, although they belonged to the volunteer corps, which at that time was outside military jurisdiction. It is true that in the proceedings which were set in motion in May, 1919, by the counsel for the prosecution a court martial pronounced sentence against four officers, but the judge himself declared their guilt to be unproved, in spite of gravely suspicious

circumstances. Only a subordinate tool of the perpetrators of the deed was found guilty of attempted murder, and he escaped punishment on account of his weak-mindedness.

From the first day of the trial the accused officers had shown by their demeanour how secure they felt from all suspicion of crime. They appeared in Court laughing and beaming, decorated with orders. In high good humour they left the Court, to continue to occupy important posts in the Republican Army of the Socialist War Minister, Noske. And on March 13, 1920, on the occasion of the militarist *coup-d'état*, the Knapp *Putsch*, they all came into prominence again: Pflugk-Hartung, Pabst, Dr. Gorabowski, in short, the whole illustrious company of the Eden Hotel, which had attained to such unenviable notoriety through the murder of Liebknecht and Rosa Luxemburg some fourteen months before. On March 13, 1920, Noske and the Right Socialists reaped what they had sown in January, 1919.

However mistaken and fatal the tactics of the two chiefs of the Spartacus League had been since November 9th, the purity of their motives was beyond dispute. The rare qualities and knowledge, at least of Rosa Luxemburg, were never denied even by the Right Socialists. Liebknecht too was not only an idealist with the purest motives, but a politician of rich experience and unusual capacity.

Before the war he had displayed unusual activity in the Reichstag and in the Prussian Diet, and his written and oratorical achievements during

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the war will secure him a place in history. The revolutionary fanatic concealed one of the best and most sympathetic of men. The letters written by Liebknecht from prison and from the field, published after his death, which were addressed to his wife and children, are most eloquent testimony to his warm-hearted humanity. In October, 1914, he wrote: "The unhappy population! Almost all are fled—and the farms stand deserted. Of course, everything is stripped to the bone—by the Germans. Practically everything is taken from those who are left behind. No steps are taken to leave them even the most necessary things. In many cases requisitions are not formally made, but what is wanted is simply taken—plundered. To-day a woman came here whose last pig had been taken by means of a forged requisition. The soldiers laugh only too often at such inhumanity, and seldom do they understand the position of the population. Robbery and plunder are twin sisters of murder, as the latter is the legitimate child of war. I have now had many experiences of this." A year and a half later he wrote to his sixteen-year-old child from his prison-house at Luckau: "The war and the many shortcomings of the world sadden you. Yes, they must oppress every spirit. For those who walk in darkness, there is only one salvation—the resolution to make the abolition of this evil the purpose of life. The only life that is impossible is to let everything take its course. Life is only possible if one is prepared to sacrifice oneself for the common good. In spite of all, my life has hitherto been happy, especially when I have had to fight and struggle

the most. And so will yours be. That is our 'war.' ”

Both Liebknecht and Rosa Luxemburg overestimated the pace of the revolutionary development and believed they could rely upon moral and material strength among the working class, which did not yet exist. The most tragic blunder they committed was that they, who their whole lives long had insisted on the power of ideas as opposed to brute force, should in the end suppose that resort to force would promote a speedier triumph. So it came about that the inveterate foes of Militarism awakened it to sinister vigour, and became its first victims.

. CHAPTER V

BLOODY WEEKS IN BERLIN AND MUNICH

GROWING RESENTMENT AMONG THE WORKING CLASS

A FEW days after the sanguinary crushing of Spartacism in Berlin the elections to the National Assembly took place. The result proved the foolishness of every attempt to postpone them. Of the 30,000,000 odd who voted, only 2,314,332 voted for the Independent Social Democracy. Not counting a few tens of thousands of Communists who had abstained from voting, only the thirteenth part of the electors had manifested any leanings towards revolutionary Socialism. All the more powerful was the support mustered by the Right Socialists, viz. 11,446,716 voters, among whom were, of course, some fair-weather politicians. The raging internecine strife in the Socialist ranks had weakened the recruiting strength of Socialism to such an extent that the total votes of both parties did not yield a Socialist majority. As against 13,750,000 of Socialist votes, 16,000,000 of bourgeois votes were cast, including the Christian People's Party (formerly the Centre Party), 6,021,456; the Democrats, 5,601,621; the German National People's Party (Conservative and Anti-Semitic), 3,199,573; and the (Right National Liberal) German People's Party. Consequently, 163 Social

Democrats, 22 Independents, 88 Christian Populists, 75 Democrats, 42 German Nationalists, 21 German Populists, and 10 representatives of smaller groups were elected, making a total of 421 Deputies. Social Democrats and Independents had but 185 seats between them.

Nevertheless, they would have been able to form a joint Government if their attitude towards each other had permitted it. But after the bloody struggles of January a Socialist coalition was out of the question; so the Right Socialists sought and obtained an alliance with the Centre and the Democrats.

This coalescing of the Right Socialists with the two bourgeois parties was from the start a fundamental mistake, and a misfortune for the Revolution. Quite apart from the fact that the Centre, as a pronounced Clericalist Party, was opposed to any definite policy of freedom with regard to Education and the Church, the great capitalist influences were so strong among the Centre, and especially the Democrats, that these parties were certain to obstruct any serious policy upon Socialist lines. The co-operation of the Right Socialists with the Centre and the Democrats was nothing less than a resort to the petty expedients and the everlasting half-measures which were certain to fail completely in a political and economic situation of such enormous difficulty, and to repel the most energetic sections of the working class. The tenderness displayed by the Social Democratic Party for the interests and desires of the bourgeoisie alienated large numbers of the Proletariat in a surprisingly short time.

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As early as the end of the month of February the membership of the Independent Social Democratic Party, which stood at 100,000 at the outbreak of the Revolution, had increased to 300,000, and later elections revealed a rapid movement to the Left. Great anger had been aroused among the workers by the action of the Government in summoning the National Assembly, which was to commence its deliberations at the beginning of February, at Weimar instead of Berlin. Even the Central Council of Workers and Soldiers, consisting entirely of Right Socialists, protested against this decision, which had been taken without giving the Central Committee an opportunity to express its opinion. It is true that on February 4th the Council abdicated—at least as a national authority—in favour of the National Assembly. In consequence, a more lively activity was displayed by the district Workers' Councils in Berlin and in many industrial centres, where the Socialist Left gained more and more influence.

The feeble policy of the Right Socialists, who shrank from any energetic social measures, and the subsequent policy of the Coalition Government, excited resentment in the degree that the conditions of existence of the labouring masses worsened. In addition to the number of unemployed, which assumed powerful dimensions with the demobilization of the millions of soldiers and the cessation of the war industries, the employed section of the Proletariat suffered more and more from the unceasing rise in prices. The efforts of the workers to compensate themselves by wage increases were

unavailing. The employers and traders passed on to the price of the commodities double the amount of the wage increment, and the cost of living became dearer still. In spite of this, it was often necessary to enforce wage demands by means of strikes. When these struggles and strikes affected the railways or the mines the Government became agitated, for the increases in the wages of the railwaymen augmented the deficit of the State Railway Administration, and strikes among miners caused disturbances in production and communications. As, on the other hand, Communists and Left Independents regarded these strikes as the most effective means of embarrassing the Government, and procuring the downfall of the Capitalist system, these economic struggles constantly accentuated the internal friction, which had extended from Berlin over the greater part of the Empire.

The newly arisen Militarism knew how to exploit the situation with diabolical cunning. The army leaders exerted continuous pressure upon the War Minister, Noske, who was sufficiently disposed to coercive measures, to proceed ruthlessly against the strikers and the obstructive element in the working class. And the Left Socialists supplied Militarism with only too many convenient pretexts for intervention. Despite the total defeat which Spartacism had suffered in the capital, it endeavoured to set up local or territorial council domination in Bremen, Brunswick, Dusseldorf, and Munich; and each of these attempts, so hopeless in view of the election results of January 19th, ended in the most relentless crushing of the workers and the

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strengthening of Militarism. The "Counter-Revolution," states the Independent Report which we have already quoted several times, "apprehended very quickly the great importance of a strong counter-revolutionary military force. Officers formed volunteer corps, by the assistance of which they fought the revolutionary workers on their own initiative. The commanders of the defeated army of the Kaiser were transformed into the conquerors of the civil war. The alleged enemy was Spartacism and Bolshevism; in reality, the Social Revolution was the target." In point of fact, the counters revolution correctly judged the situation, and was equally crafty and energetic in turning the political and economic confusion to its own account. By contrast, the political insight and the political leadership of the Proletariat was deplorable. The Independents tended to fall into the orbit of Spartacism, and the majority of their leaders allowed the revolutionary movement to have full play, instead of keeping it firmly in hand, and guiding the elementary popular forces into the path of a practicable and democratic-socialist policy. Thus the revolutionary energy of the masses was exhausted in unregulated strikes and wild convulsions, which were suppressed in bloodshed by the New Militarism, the Noske Guard. The Right Socialists, however, incurred the equally serious reproach that they were a long way from exhausting all the possibilities of bringing the revolutionary elements of the working class to reason and calmness, by means of friendly discussions, timely concessions, a really democratic-socialist policy,

and by enlisting the co-operation of all appropriate proletarian forces. Their advances and their complaisance extended only to the bourgeoisie and the officer caste. To the excited and obstreperous proletarian masses they showed the mailed fist of Military Absolutism.

On February 4th the Noske troops entered Bremen to overthrow the purely Socialist Government which was in authority there. The Soviet Government in Oldenburg had already succumbed to the troops. A particularly embittered struggle took place in the Ruhr district, where great strikes broke out in February and April. The miners demanded the right to participate in the conduct of the industry, and the restriction of exploitation, by means of the socialization of the mines. If any kind of undertaking was ripe for socialization it was the mines. But the Right Socialists, who were completely under the intellectual tutelage of the bourgeoisie, resisted by all kinds of pretexts the pressure of the miners. Not even the request for works councils found favour with the Right Socialists. In the middle of February the establishment of works councils was indeed promised, but the right of control was refused. It was not until four weeks later, after the whole of the Proletariat of South and Central Germany had taken action, that the Government conceded to the works councils the right to take a part in the conduct of the industry. On March 5th, under the pressure of the widespread resentment of the proletarian masses, the legal introduction of a system of economic councils for all categories of workers and economic

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groups was promised, a privilege which in February the Government was willing to concede only to the miners.

The revolutionary workers were further goaded into an outburst of defiant and despairing indignation through the murder of Kurt Eisner by a nationalist fanatic and scion of Junkerdom, Count Arco. With this sacrifice of a new victim to the reaction, which occurred on February 21st, one of the fairest hopes of the Revolution perished. Eisner had not only overthrown the Munich reaction by a bold stroke in November, at the risk of his life, but since then he had endeavoured to safeguard and organize the Revolution by a series of drastic measures. Although a brilliant publicist, with a strong political imagination, Eisner possessed a sufficiently acute sense of realities, sharpened by years of political activity, to reject the idea of Soviet Dictatorship upon the Russian model as being wholly unsuitable to German conditions. A passionate supporter of democracy on principle, he did not share the naïve credulity of the Right Socialists, who expected the welfare of the Republic and Socialism from a hastily chosen National Assembly and a colourless governmental compromise with the bourgeoisie. Eisner rightly believed that the Proletariat ought first to have utilized the power which had come to it, to break the back of Militarism and the reaction, and, at least, to lay the foundations of Socialist reconstruction. And with undeniable insight Eisner had tried to attract representatives of the peasants and of science to the provisional Soviet Government as the proletarian

power could not for long have maintained its isolated position in agrarian Bavaria. As, however, the Right Socialist Government and the National Congress of the Workers and Soldiers' Councils could not divest themselves of the power quickly enough, in favour of a National Assembly, the far-sighted policy of Eisner was nullified. Although he long resisted the summoning of the Diet and the pressure to form a coalition government with the bourgeoisie, and offered stout opposition to the efforts to resurrect Militarism, especially those which originated from Weimar, he was at length convinced of the hopelessness of his struggle against the ascendancy of the reaction and the obtuseness of the Right Socialists, and he acquiesced in the summoning of the Diet. But his brave fight against the reaction, and against Militarism in particular, had enraged his reactionary foes. Just as he was on his way to the Diet, where he intended to declare the resignation of the entire provisional ministry, he was murdered by the youthful tool of his implacable opponents.

This odium was incurred by Eisner not only because of the internal policy which he pursued ; it was also a direct consequence of the inexorable campaign which he carried on against nationalist intrigues and the chauvinistic war lies. Eisner, who had relentlessly attacked the legend of a defensive war while the war was in progress, demanded, after the triumph of the Revolution, that the Socialist Government should unsparingly unmask the war guilt of all persons responsible, honourably acknowledge its own complicity, and

strive to regain the confidence of the other nations by a policy of veracity. But the Right Socialist Ministers continued to pursue the old policy of concealment, partly because they had uneasy consciences, partly because they feared that an acknowledgment of German guilt would make the conditions of peace worse. Instead of entrusting the negotiations with the Entente to men of unblemished record, known pacifists, opponents of war, and undoubted democrats, Erzberger and diplomats of the old regime were appointed plenipotentiaries. Hence Eisner proceeded independently in the task of exposing German war guilt, and thereby aroused the displeasure of the Right Socialists and the wrath of the Nationalists. The hatred of German chauvinism reached the highest pitch of intensity when Eisner treated the question of guilt with the same disregard at the Berne International Socialist Conference in February. On that occasion he addressed the Right Socialist delegates, Wels and Müller: "Comrades of the Majority Party, are you revolutionary or are you not? If you are, you have no more sacred duty than to chastise the criminals of the old system. Why do you oppose such a course? You point to the fact that the princes and Government are ejected. Quite true, but your justification for this expulsion is that you have pursued a correct policy, in supporting this reprehensible policy for four and a half years. Therein lies an irreconcilable contradiction. It is not true, and you know it as well as I do, that you opposed the war policy of the Government during the whole period of the war.

You were involved right to the last. Your opinions fluctuated according to the military situation. There were times when you followed hard on the heels of the annexationists. Nobody wishes to humiliate you, but we want a free hand and a clean conscience to urge our Revolution forward. As little as a war can be terminated with lies, just as little can a Revolution be organized by lies.”¹

When Eisner went so far as to declare that a Germany which was morally unpurified had no right to indulge in moral indignation at the retention of the prisoners of war, the abuse of Eisner in the bourgeois Press knew no limits, and even Right Socialist organs joined in. While the whole of the Press of neutral countries, led by journals which were notorious for their friendliness towards Germany, testified to the fact that Eisner’s appearance at Berne had produced a beneficial effect, had diminished the resentment of the Entente Socialists, and had induced them to take action with regard to the German war prisoners, the spurious German patriots accused him of practising treachery towards Germany and surrendering the prisoners of war. Under the influence of this frivolous and baseless charge people wrote fierce threatening letters to Eisner, and the deadly bullet struck the first German Socialist who had raised the prestige of Germany in the eyes of foreign Socialism and world civilization.

In his report of the proceedings of the Berne Conference to the Berlin Conference of the Independents, Karl Kautsky described the loss sustained

¹ Kurt Eisner : “ Schuld und Sühne.”

by the German Proletariat in the death of Eisner :
 “ The removal of Kurt Eisner is one of the heaviest blows which could be dealt us. By the uprightness of his character, by the boldness of his acts and his thoughts, by the tireless assiduity which always marked his activities for the greatest and smallest interests of our comrades—by all these qualities he gained a wonderful ascendancy over the minds of men. He used this influence not to strengthen his personal power, but to consolidate the strength of the Proletariat for united action in the interests of the Revolution.”

The murder of Eisner did more than arouse the greatest indignation in Bavaria. The impression that the reaction was assassinating the best men of the Revolution one after another, and that the Right Socialists, entirely oblivious of this and in complete dependence upon the bourgeois parties and reactionary forces, were surrendering one by one all the achievements of the Revolution, goaded large numbers of workers into powerful demonstrations and strikes, which to a certain extent became synonymous with the attempt to sweep away the National Assembly and the Coalition Government by a new revolutionary wave.

The Ruhr miners, who had been agitating for weeks in favour of works councils and socialization, now took part in the general strike, and the whole of Central Germany, as well as Bavaria, entered upon a stormy period. The National Assembly at Weimar, which was temporarily cut off by railway strikes from the rest of Germany, and could only maintain communications with the outside world by means of

aeroplanes, decided to make concessions, but this decision came too late. The Government ordered posters to be exhibited announcing "Socialism is on the way," and, after the solemn promise of works councils and socialization, "Socialism is here." But the strongly reinforced revolutionary wing of the working class no longer put any trust in these announcements, after the painful deceptions which the National Assembly had hitherto prepared for it. At the beginning of March the general strike was also proclaimed in Berlin, and on March 4th, at the Congress of the Independents, Hugo Haase announced that his Party supported this strike: "We can say with certainty that the strike movement, which is the expression of but a portion of the revolutionary movement, will not end until the system disappears. Information reaches us from Weimar that the Government feels the ground under it giving way. The National Assembly has announced itself to be in permanent session. Every day a new Bill is debated, and on Friday the socialization proposal is to be placed on the agenda. Too late! So long as such a regime exists, so long as the volunteer corps exist, so long as the workers' councils are not assured, just so long there will be no peace. The political mass strike is as necessary to-day as before the Revolution!"

THE MARCH MASSACRES IN BERLIN

The fighting which raged in the streets of the eastern part of Berlin during the second week of March far exceeded in frightfulness that which

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Berlin had experienced in January during "Spartacus week." For days the Government soldiery conducted a campaign in the eastern proletarian quarters of Berlin with all the resources of modern warfare—with cannon, bombs, and aeroplanes. Innumerable houses were damaged, and some were completely demolished by grenades and explosive bombs. Those who were captured, weapon in hand, by the soldiers were given no quarter. In many cases workers in whose dwellings rifles were found were shot. Reprehensible cruelties were also committed by the Spartacists, but the fact that only about a tenth of the more than a thousand dead in the Berlin March fighting belonged to the troops shows strikingly on which side rested the heaviest blood-guiltiness.

The street fighting which had developed since March 5th was only indirectly connected with the general strike. When the incidents of plundering and robbery took place on the night of March 4th, Richard Müller, the President of the Executive of the Workers' Councils of Greater Berlin, declared these excesses "are committed by criminals who have no connexion with the strikers." And on March 9th, after the outbreak of the street fighting, he publicly declared: "We strikers have nothing to do with the military measures which are now being taken." The Communist spokesman in the Workers' Council also stated on March 9th: "We Communists have nothing to do with the fighting." On the other hand, Noske asserted, at Weimar: "For the furious fighting, the plundering and murder of which Berlin has been the scene, responsi-

bility rests with a few newspapers, chiefly the 'Rote Fahne' and the 'Freiheit,' the organ of the Independents. These journals have for months past incited the Berlin people in the most unscrupulous fashion." Noske read an extract from the "Rote Fahne" of March 5th: "Workers! The hour has struck again. The dead have come to life. Those who were ridden down are in the saddle once more. The Eberts and Scheidemanns believed they could trample on you in a manner quite different from that of the foolish Hohenzollerns in the elections of January, 1907. The latter thought they had duped you through the ballot box. The former believed they had deceived you with the comedy of the National Assembly. They believed the workers would allow themselves to be robbed of the fruits of the Revolution by a Parliament and the strife of parties. Whoever refuses to be deceived is to be crushed by the mailed fist. The worker, Noske, has heaped up proletarian corpses in Germany as high as houses. The Socialist Government has become the wholesale executioner of the German Proletariat." On March 14th, at the second sitting of the newly elected Prussian National Assembly, the Right Socialist Prussian Minister of Justice, Heine, asserted even more definitely that the civil war in Berlin was caused "by those who deny popular representation, and desire to put terrorism from below in place of the organized will of the people, who expose our people to starvation through the general strike, who plunge us into lasting economic misery, who drop hand grenades from the roof upon peaceful people,

and who plunder and murder." In the same speech, Heine assured his hearers that the "League of Red Soldiers" had for long been preparing an armed rising, and had elaborated an exact "plan of campaign" for a revolutionary rebellion. "Fortunately we were able to disturb the plans for the intended revolt; on February 15th we surprised a secret meeting of the leaders of the 'League of Red Soldiers.'"

These accounts from both sides contain the sharpest contradictions, but after what we have seen in the preceding chapter it is comparatively easy to arrive at the truth. Without the universal unrest amongst the masses, without the general strike in the country, without the almost intolerable political tension, in all probability the bitter street fighting in Berlin would not have occurred. The resentment of the masses and the general strike movement were to a great extent due to the obtuseness and incapacity of the Government, and to the murder of Eisner. It is, however, incorrect to represent, as Heine does, that the March fighting in Berlin is to be traced to a conspiracy of the "League of Red Soldiers." This pretended conspiracy was never made the subject of legal proceedings, nor was anything more heard of it. Without doubt the Proletarian Left, at that time, was determined to checkmate the Coalition Government and the National Assembly by political strikes and economic pressure of every kind, but it is not credible that the overwhelming majority ever contemplated engaging in a military trial of strength in Berlin. Of course the new street

fighting gave the military another opportunity to point to the danger of German Bolshevism and their own indispensability. The most tragic mistake of the Right Socialists and their representatives in the Government lay in the fact that they did not dare to oppose this stupid as well as coercive policy of the Militarists. A little closer insight into the psychology of the proletarian masses, and a corresponding attitude towards the revolutionary opposition, might have prevented the hideous street massacres in Berlin.

The March struggles in Berlin originated in the petty jealousies and the mistrust which the Noske troops entertained towards the scanty remnants of the revolutionary troops of November, the naval division and the Republican Guard. These troops were a thorn in the side of the colonels and generals who were at the head of the Noske volunteers, and they had to be dispersed at all costs. The necessary pretext would be furnished by a recrudescence of street fighting. These struggles arose out of conflicts between these two bodies of troops. The Communists had as little to do with it as the Independents. The article quoted by Noske from the "Rote Fahne" contains no reference to a revolt. At a meeting of the official Press Conference (a wartime institution which the Government retained during the revolutionary period) Captain Von Moyzysowicz, of the Luttwitz General Command, testified: "The leaders and supporters of the Independents were against the insurrection. Likewise, the leaders of the Communist Party held that the time had not yet come for the carrying out

of the extensively prepared rebellion." The new Militarism felt itself obliged to wage a preventive war also against the Revolution !

The Noske troops regarded the naval division as unreliable, although it had observed strict neutrality during the January fighting, and they were not even sympathetically disposed towards the Republican Guard, which had been created by Wels as a counter-weight to Eichhorn's police force, because it was not such a docile tool in the hands of reactionary officers as the Noske troops. The new Militarism would not have full scope, and the Revolution would not be completely disarmed until these organizations, in which some democratic spirit still survived, were swept away.

In view of the antipathy and the mistrust which existed between the remnants of the revolutionary troops and the counter-revolutionary volunteers, merely a spark sufficed in this atmosphere to explode the mine. On March 5th a crowd collected in the Alexanderplatz, in front of the police headquarters, and some of its disorderly members began to plunder a warehouse. The naval division, in whose district the Alexanderplatz lay, sent 800 men and 2 motor lorries, in answer to a telephone request, to establish order. This contingent caught 20 plunderers, and placed a guard in the threatened warehouse. Nevertheless, there was no whole-hearted co-operation between the police headquarters which was under the control of the Right Socialist Ernst, and the naval division which was suspected of revolutionary designs. As a deputation of the naval division was leaving the police

head-quarters, the leader of the deputation was wounded by a shot. The comrades of the wounded man asserted that the shot could only have been fired from the police head-quarters ; the other side violently disputed this contention, and in the twinkling of an eye shots were exchanged between the naval division and the police head-quarters. And now the events of Spartacus week were repeated with slight variations. A section of the naval division and of the Republican Guard, reinforced by armed bodies of civilians, entrenched themselves in the eastern quarter of Berlin, while the Noske troops occupied the centre and the other parts of the town, and, gathering reinforcements, equipped themselves for the defensive struggle. On this occasion also a peaceful solution would have been quite possible, as the enormous majority of the Berlin workers, including the trade union and the political organizations, had declared that they would take no part in the struggle, and the entire force of the rebels consisted only of a few thousands of men, who would have found it impossible to hold out for long. But the Militarist and reactionary elements desired no pacification. By means of a wholly untrue official report the petty skirmish was magnified the next day into a formidable street battle, in order to instil into the Government and the bourgeoisie the necessary fear of the Revolution, and enable them to bring into play their whole military apparatus of cannon, bombs, and aeroplanes all the more unscrupulously into the populous proletarian quarter.

A collection of documents compiled by the

public mind and to achieve its ends. How effective they were is proved by an article in "Vorwaerts," which read: "What happened on Saturday in Lichtenberg was no political crime, but a common assassination. Sixty public officers and several dozen Government soldiers have been slaughtered like animals. The Lichtenberg massacre will remain an everlasting stigma on the Spartacist movement."

To the honour of the German Revolution the Lichtenberg massacre was soon proved to be a despicable invention. But in these days Berlin was destined to experience vindictive murder and bloodthirstiness on the part of those guardians of order and supporters of the Government, the Militarists. It will, however, remain an "everlasting stigma," to use the language of "Vorwaerts," upon the Right Socialists that, influenced by the Lichtenberg fabrication, which ought to have been received with the greatest reserve by every conscientious man, after all the experience of war-atrocity fables, their member, Noske, issued this instruction: "The cruelty and brutality of the Spartacist fighting compel me to give the following order: Any person who is caught with arms in hand fighting against the Government troops is to be shot forthwith." In this Noske descended to the political and moral level of a Gallifet, the man whom German Social Democracy had always regarded as the "Butcher of the Commune" and the incarnation of militarist barbarity. One division of troops, however, relying on the Noske decree of March 10th, even gave the order, not only to shoot immediately everybody caught with weapons in their hands, but

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also all suspected persons with whom or in whose houses weapons were found; and hundreds were actually shot at sight on the ground of Noske's instruction and the above-mentioned order. Numerous persons who were entirely unconnected with the fighting fell victims to this unprecedented martial law. The "Berliner Tageblatt" reported that a man over 60 years of age, who had just recovered from an illness, was shot in the court of a house, by order of an officer, because a weapon had been found in his possession. And "Vorwaerts" itself was obliged to confirm the monstrous case of a father and son who were shot out of hand because they were in possession of two hand grenade handles, which the son had brought away from his factory in order to make them into something useful.

The most horrible example of the brutality which marked the proceedings of the Noske troops was the murder of twenty-nine wholly innocent persons. The naval division was disbanded on March 11th. Their members were summoned to receive their back pay at the pay office. About three hundred men who had not the slightest connexion with the rebels made their appearance, and were placed under arrest by a detachment of Noske troops. Conscious of their innocence, these men, who with few exceptions were unarmed, did not offer the least resistance. The lieutenant of the Noske troops, Marloch, who did not know what to do with his prisoners, and who was continually pestered by orders from his superiors to act with the most ruthless severity, picked out thirty of the smartest and most intelligent in order to shoot them as

"likely ringleaders." The unspeakable callousness of this military massacre came to light in proceedings which were subsequently taken against Marloch and his fellow-culprits. A bourgeois publicist, who was present at the proceedings, described their result in these words: "The heads of an organization, whose members needed murder in order to maintain their well-paid positions, informed the intelligence officer of one of the volunteer corps that the naval division purposed to start a revolt hostile to the Government in the Franzosischen Strasse. The information was not verified, but gleefully accepted, passed on, and exaggerated. A young officer with fifty men was dispatched; the quarters of the division were occupied. Three hundred people fell into the trap. The young officer, goaded on by the exasperating orders of his superiors, selected twenty-nine men, to ensure that something was done, and, without the prisoners offering any resistance, had them shot. Thereupon the Press published a false report of these events; the officer was obliged to make a false report to his superiors, who were acquainted with the truth, and then he fled. Later he was apprehended and court martialled. His comrades absolved him." Respecting the massacre itself, the same writer says: "The corpses of the unfortunate men must have been a fearful sight. Some of the men took flight and were massacred in the cellar; the survivors heard their death shrieks. After the murders the officers walked round the courtyard, looked at the corpses lying on the ground, and one of them said, 'How smartly the dogs are

dressed. Their boots ought to have been taken off." ¹

Atrocities were also committed by the Spartacists, and isolated soldiers who fell into their hands were slain. But these were excesses of small groups who were thrown together by chance, and who had been enraged by the ruthless conduct of the Noske troops. The above case was a massacre executed in cold blood, by the order of an officer, at the insistence of higher and the highest authorities. And this shocking barbarity remained unpunished. Neither the perpetrator, Marloch, nor his inciters met with the slightest punishment. And when on March 13, 1920, Noske was obliged to flee to South Germany under cover of night, before the mutinous counter-revolutionary soldiery, because the commanders of the national troops refused him their support and declined to offer armed opposition to the reactionary rebels, it was none other than the butcher Marloch who was in charge of the occupation of "Vorwaerts" by a troop of mutineers. On this occasion, Noske and the Right Socialists reaped the reward for the services which throughout the preceding year they had rendered to Militarism, imbued with the old spirit of brutality and contempt for the people.

The March massacres could have been curtailed and mitigated. On March 10th the Berlin Executive Committee made an effort to secure a peaceful settlement, on the urgent representations of the workers employed in the Lichtenberg gas, water, and electricity works, who refused to go to work under the dangerous artillery of the Noske troops.

¹ "Die Weltbühne," 15 Jahrgang, N. 52.

Their representatives, together with delegates of the Lichtenberg workers, personally negotiated with Noske, to whom they made the proposal that he should withdraw the troops from Lichtenberg and entrust the protection of that town against plundering and the disarming of the rabble, to a workers' guard drawn from all parties. The Mayor of Lichtenberg—Zeithen, a Conservative—declared his readiness to undertake the creation of such a workers' guard; the Social Democrat, Noske, postponed the negotiations until the next day, in order to announce finally that he could only discuss the question of unconditional surrender. With proletarian rebels, Noske and the Right Socialists could have no dealings, and towards them no mercy could be shown, however many hundreds of lives the bloody suppression might cost, but the rebellious soldiery of March, 1920, were treated much more considerately.

THE MUNICH SOVIET REPUBLIC

When at the beginning of April the Soviet Republic was proclaimed in Munich, every well-informed politician in Germany was quite aware that this was merely a revolutionary episode which could not be of long duration; for Bavaria was, by virtue of its whole social structure, the most unsuitable field of experiment for a Socialist Soviet domination. The overwhelming majority of the population consisted of the petite bourgeoisie and peasants, who were not in the least sympathetic towards Socialism and the Soviet system. In Russia

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it was possible to win the peasants for the Soviet Republic, for the Bolsheviks were able to offer them the partition of the great landed property. In Bavaria, on the contrary, Soviet rule had nothing to offer the country population, consisting of farmers and small peasants. Eisner, in fact, had realized for several months the importance of establishing a good understanding between the small peasants and the proletarians; but the bourgeoisie and the Clericals had rapidly regained such an influence over the petite bourgeoisie and peasants that Eisner had been compelled to decide upon summoning the Diet and relinquishing the provisional authority.

A purely Socialist government or a Soviet system could have continued to exist in Bavaria only if the revolutionary workers of the rest of Germany had been able to render assistance. Just now, however, the revolutionary movement in the other parts of Germany had everywhere suffered heavy defeats, so that the Bavarian Soviet domination was entirely isolated, and could not only be overcome by the Bavarian reaction, but also by the auxiliary troops, which Noske was able to send. It was not surprising that the Munich Soviet Republic was unable to hold out for four weeks. With the death of Eisner, Bavarian Left Socialism had lost its political leader. In his person revolutionary enthusiasm and unerring practical instinct found their ideal synthesis. The leaders of revolutionary thought in Munich who were left, the young Ernst Toller, the ethicist and anarchist-socialist Gustav Landauer, the sentimental

revolutionary Erich Muhsam, were indeed honest and enthusiastic revolutionists, but men without political experience and without an understanding of the stubborn facts of economic life. Their hesitations and their feebleness in face of the naïve revolutionary sentiments of the masses brought numerous workers completely under the influence of Communist leaders, who expected salvation from an imitation of the Bolshevik example. The Right Socialists also allowed themselves to be driven by the sentiments of the masses. For a time they even flirted with the Soviet idea ; only when the Soviet Republic was actually proclaimed did they execute a decisive movement into the camp of their opponents.

The revolutionary feeling of the Munich Proletariat itself flowed from the most various sources. During the war many thousands of North German industrial workers had been transplanted to the Bavarian capital, and the presence of these workers set up a strong revolutionary current. As a result of the proselytising work of Eisner a considerable percentage of intellectuals and artists belonging to the university and artistic circles in Munich had joined the Revolution, and their passionate propaganda raised the temperature of the Revolution, and, when Eisner's cool judgment was no longer available, overheated it. In addition, the social privations of the workers, employees, and lower officials, even in Bavaria, created revolutionary feeling among the masses. The previous Government had been able to do but little for their alleviation. " But from the Soviet Republic the masses hoped

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for a speedy improvement of the economic position. Ignoring the fact that* a form of government cannot make a drastic change overnight in the economic relations, which are determined by the conditions of ownership and production, an exaggerated idea of the influence of the establishment of a Soviet Republic had got into the heads of the masses and not only hastened its proclamation but was also a contributory cause of its subsequent collapse.

“As the economic conditions did not improve, the masses were soon disillusioned with the Soviet Government, just as they had been with the Socialist Government.” In these words a report compiled by the Independents described the feeling of the Munich Proletariat. Unfortunately, the Munich Independent leaders did not exert themselves sufficiently, before the proclamation of the Soviet Republic, to dispel these false conceptions and fantastic hopes. Partly because of their own doubts, and partly because they feared to go counter to the masses, they did not contradict the political blunders until the stream had risen completely over their heads.

Immediately after the murder of Eisner the Revolution entered upon an adventurous phase. In a wild, revengeful mood a group of his supporters pushed into the Diet ; two bourgeois deputies were shot by these desperadoes, and the Right Socialist Minister Auer was severely wounded. The Diet dispersed in a state of agitation, and the Munich Central Council, composed of all Socialist parties, took over the Government. There was already

talk of the Soviet Republic, but the Bavarian Central Councils' Congress, which was speedily convened, rejected this plan by a large majority. At a Conference held in Nuremberg the Right Socialists and Independents arrived at a compromise in accordance with which a Socialist Ministry, invested with dictatorial powers, was formed from these two parties. It received democratic sanction from a Diet which was convened for a short session. This Hoffmann Ministry entered into office in the middle of March. The Diet was at that time so docile that, to quote one example, the law for the abolition of the nobility passed its three readings within twenty-one seconds.

The Hoffmann Government, however, soon fell into difficulties. Although the Independents were represented in it by ministers, as a party they formed, together with the Communists, the Left opposition, which became ever fiercer. Among the bourgeoisie, too, self-consciousness and desire for opposition quickly reawakened. In particular the decisive measures taken by Dr. Neurath, who was entrusted with socialization, aroused the possessing classes to the most vigorous opposition. The antagonisms between the Right and the Left became so acute that matters were bound to come to a new trial of strength. The bourgeois parties extracted a promise from the Government to convene the prorogued Diet on April 8th. The Proletariat feared that the Diet of which Socialists formed only the minority, would overthrow the Government, and sought to defeat this intention. And as the proclamation of the Hungarian Soviet

Republic, which had taken place a few days before, had kindled the Munich workers, and it was believed that, if Bavaria acted, Austria too would accept the Soviet system, the representatives of the Munich workers, after a stormy meeting in the night of April 6th, determined to proclaim the Soviet form of government. On behalf of the Independents it was asserted that in the decisive days even the Right Socialist Ministers had in no way been definite opponents of the Soviet system; in any case, it met with the support of numerous Right Socialists in Southern Bavaria. On the other hand, the greater part of the Right Socialist Party of Northern Bavaria, with Nuremberg at its head, sharply repudiated the Soviet Government. The Hoffmann Government was persuaded by this attitude not to withdraw, but to transfer its seat first to Nuremberg and then to Bamberg. Thus two Socialist Governments faced each other in hostility: the Munich Soviet Republic, which soon fell completely into the hands of the extreme sections, and the Hoffmann Government, which was now reconciled with its bourgeois opponents, and entered into the closest relationships with the Government in Weimar, and especially with the War Minister, Noske, in order to crush by force of arms the opposing Munich Government.

All reactionary circles in Bavaria and the whole of Germany indulged in immoderate joy over the prospect of striking a decisive blow at the revolutionary movement in Bavaria.

In the Bavarian capital there was first of all established a "moderate" Soviet Republic, whose

direction lay in the hands of Right Socialists and Independents while the Communists declined to co-operate, as salvation could come only through the Communist Soviet Republic. When, five days later, the Hoffmann Government tried to overthrow the Soviet Government by premature military action, the Communist Left gained control. The Dictatorship of the Proletariat, as now realized, assumed the following form: The function of a Workers' Parliament was exercised by the Works Councils, which met almost every evening. The Executive Government elected a committee of action composed of eleven persons, to which was attached a comprehensive committee of four. The intellectual direction was exercised by the Communist, Dr. Eugen Levine-Nissen; the Peoples' Commissaries of the first Soviet Republic were relieved of their posts. A proletarian guard took the place of the dismissed police. A "Red Army," which was constituted of existing formations of soldiers and armed workers, served the purpose of external defence. The command of this Red Army, which was partly formed during the five days' rule of the first Soviet Republic, was assumed by the Independent, Toller. How little cohesion and understanding prevailed among the hastily improvised authorities and bodies of the Soviet Republic is shown by a communication issued by Toller on April 26th, which read: "I regard the present Government as a misfortune for the working people of Bavaria. The leading men are a danger to the Soviet idea. Incapable of the slightest reconstruction, they destroy in a senseless manner."

The Communist Soviet Republic sought to make radical changes in the economic sphere. Their most important measure was the decree: "The Works Councils exercise complete control over the whole direction of 'business. The Works Councils are subordinated to the local committees of experts."

The practicability of these and other socialization measures could not be tested, because after fourteen days the Soviet rule collapsed. Those ordinances, which related to a restriction of credit facilities, the prohibition of dividend distributions, the commandeering of food, were indeed of a temporary and transitional nature. "Moreover, these measures already showed what loomed more and more in the foreground towards the end of the Soviet Republic; all measures were now defensive measures against the increasing urgency of the economic constriction, which the lack of cash, the lack of coal, and the lack of bread created. The Soviet Republic was rapidly approaching the point of collapse."¹

The whole foolhardy Soviet experiment was built on the extremely vague hope that the Soviet rule in Munich would at least be quite unmolested from the outside. Now, the Hoffmann Government had not only disclosed itself as an opposition government which narrowed more and more the political and economic radius of the Soviet Republic, but it had also invoked the military aid of Prussia and Würtemberg, as the Bavarian volunteer corps did not suffice for military action against Munich. The Würtemberg Government was prompt to send

¹ "Die Münchener Tragödie."

several regiments, and a strong force of Prussian troops was also sent to Bavaria. The assumption behind the Prussian assistance was that Bavaria, which had hitherto resisted the revival of the old military spirit in the imperial militia organization, would in future not oppose its own militarization. In point of fact, the Munich Soviet adventure ended in the complete victory of the counter-revolution in this matter. In addition to a militarist volunteer corps, police and citizen guards were organized in Bavaria. So thoroughly was this done that a year later, during the Kapp *Putsch*, the military was able to eject the ornamental Right Socialist Ministry and put an avowedly reactionary Government in its place.

As the troops collected by the Hoffmann Government became more and more menacing, while the political and economic difficulties of the Soviet Republic multiplied, the Independents, led by Toller and Landauer, entered into negotiations with Hoffmann, in order to achieve a satisfactory settlement, and so avoid a massacre and the inevitable defeat. But the generals, who were determined not to forgo at any price a decisive victory over Bolshevism, nipped in the bud any pacifist inclinations Hoffmann may have had. They could do this all the more easily as Noske had declared in an interview for the "Berliner Tageblatt" that "accounts must be settled with the lunatics of Munich, even if it cost blood." This attitude stiffened the Communists, who likewise would not hear of pacification. The more reasonable elements succeeded in bringing over to their side

the Soviet Parliament of the Works Councils and in compelling the Committee of Action to resign, by means of a vote of no confidence, but it was then too late. Confident of victory, the military demanded capitulation and the surrender of the leaders. This unacceptable demand led to a last-hour military dictatorship—the domination of the Red Army, under whose protection the threatened leaders had placed themselves. But the internal disruption could no longer be patched up; not only were the workers disunited and depressed, but the Red Army was demoralized before any fighting began. When the Noske troops proceeded to make a decisive attack the Red Army dissolved, almost of itself. Only a few hundreds offered a despairing resistance.

Nevertheless, a bloody week was in store for Munich. The soldiery wanted to do its work thoroughly, and to make a fearful example, as in Berlin. The Soviet Republic had been reproached with practising terror and atrocities, but in the Munich case the official casualty list provides a reliable measure for estimating the blood-guilt of both sides. According to this official information, 38 Government troops fell in the course of the fighting, 93 members of the Red Army, 7 Russians and 7 civilians; 42 members of the Red Army and 144 civilians were court-martialled and shot; 184 civilians met their death by accident. In the case of 42 dead, neither their names nor the manner of their deaths could be ascertained. The official report speaks of a total sacrifice of life of 557, among whom only 38 were Government soldiers. There

were 15 dead of the Soviet Republic for every Government soldier who fell. Among those who met their death by "accident" were included 21 members of a Catholic association who were murdered by a horde of Government soldiers, although they had not taken the slightest part in the Soviet Republic. The subsequent inquiry furnished a sickening picture of the savagery with which the Noske soldiers, incensed by atrocity fables, had murdered in a cellar the wrongly arrested and wholly unarmed executive members of the Catholic organization, who died vainly protesting their innocence.

In comparison with such cruelties on the part of the Government troops, the shooting of ten persons by the Communists almost fades into insignificance. Later inquiry cast a sinister light on this action, and proved to what cynical disregard of human life any system of force must lead, which, either in war proper or civil war, grants to any dozen men, or to insignificant citizens, the right of life or death over their fellows. The shooting of hostages by Red Guards proved to be a shocking example of brutality. But the Militarists, who court-martialled and shot hundreds in Munich, as reprisals and warning, ought not to forget that even the shooting of hostages could be considered as a reprisal for the shooting of twenty-one Red Guards who had fallen victims to martial law in Starnber a few days before.

On May 2nd the soldiers cruelly murdered Gustav Landauer, a man who had spent his life fighting against the shedding of blood and coercion, and who

had favoured a peaceful compromise in the last days of the Soviet Republic. He was one of the purest idealists and most humane spirits of the age. On June 3rd the Communist leader, Levine, was condemned to death for high treason, and shot twenty-four hours after the sentence was pronounced. As Levine could not be proved to be implicated in the shooting of the hostages, his participation in a political upheaval was branded as a crime deserving death. And the Hoffmann Government, which was brought into office by the Revolution, confirmed this shameful sentence.

In all its phases the Munich tragedy exhibited the sorry spectacle of proletarian confusion and internecine strife, the obstinate foolhardiness of the revolutionary section, and the complaisancy and irresponsible feebleness of the Right Socialists. Through the conduct of the immoderate and the over-cautious elements of Socialism, this Soviet adventure, which was hopeless and senseless from the start, ended in a new and heavy defeat for the Revolution and Socialism. The Munich catastrophe thoroughly destroyed for some time the insurrectionary illusions of the Proletarian Left, but a peaceful and organized progress towards Socialism was not possible, because the bourgeoisie had drawn fresh strength and self-confidence from the internecine strife and the defeats of the Proletariat, and, above all, because Militarism had again become the predominating factor. The naval division and the Republican Guard had been entirely disbanded ; on the other hand, the possessing classes could count on the support of many hundreds of thousands

of soldiers armed to the teeth, and hinder those measures of socialization which alone would have effected the reorganization of national economy and secured internal peace. This obstructive policy of the bourgeoisie was not, however, likely to diminish unrest among the proletarian masses.

CHAPTER VI

THE DIFFICULTIES OF HOME POLITICS AND FOREIGN POLICY

THE YOKE OF THE ENTENTE PEACE

WHEN, after discussions lasting several months, the Entente finally submitted the conditions of peace to the German people, a single howl of indignation went through the bourgeois and Right Socialist Press. This disgraceful peace was declared to be unacceptable ; for it meant not only the most brutal imperialist subjugation of Germany, not only the economic strangulation and slavery of the German people, but also the sharpest departure from the peace points of President Wilson, upon which Germany had accepted the Armistice conditions and had withdrawn her troops beyond the Rhine. And, in fact, the Entente demands were uncommonly harsh. In cessions of territory alone Germany was to lose 75,000 square kilometres, with 6,000,000 to 7,000,000 of inhabitants, of its total area of 541,000 square kilometres : Alsace Lorraine, the Saar basin (at least for thirty years) Eupen-Malmedy, Posen, large portions of Upper Silesia and West Prussia, a slice of East Prussia and North Sleswig. The Wilsonian demand of the rights of peoples to self-determination flatly

contradicted these clauses of the Peace Treaty. Germany lost not only fifteen per cent of her area, but a good third of her coal production, and her most important iron ore districts ; henceforth her extractions of iron ore would only suffice for a tenth of her former iron production. Further, Germany, to quote only the most important stipulations, was to surrender nine-tenths of the tonnage of her mercantile marine, build 200,000 tons of shipping annually for five years, and within two years pay 20 milliards of gold marks (at that time 55 milliards of paper marks). There was particular indignation in reactionary circles because Germany had to pledge herself to deliver up Wilhelm II and all officers and officials against whom the Entente Powers might bring accusations of breaking the laws of war. The demand that in future Germany should maintain a volunteer army of only 100,000 men also aroused the anger of the Nationalists. The conditions of peace were so harsh, and in many cases so much exceeded what was, with the best will, practicable, that every protest and every attempt to obtain an alleviation of the conditions were in order ; but it was necessary to put forward the objections and representations in a serious, expert and dignified manner, if they were expected to produce any effect. They should not take the form of that hypocritical indignation and nationalist arrogance which had not only for some time been the fashion among the bourgeoisie, but had also characterized numerous official pronouncements of the German Government. It was an immense political blunder to push on one side for months as

a mere bagatelle the question of the guilt for the outbreak and prolongation of the war, or to treat it as beneath one's dignity, as the Right Socialist Prussian Minister, Heine, did, and to show no interest in anything but the question, "When shall we receive a full bread ration again; when will they deliver raw materials to us again?" It was unparalleled folly to expect that nationalist outcry and abuse of the opponent would make the slightest impression on the Entente. What could be the effect upon the Entente nations, when the German Press, the German Parliament, and the representatives of the German Government always spoke of the needs and poverty of the German people, and never of the fearful disaster which the war, provoked by the Government, had brought upon the Entente countries? The situation of France after the conclusion of peace was, if anything, worse than that of Germany; for the war had devastated neither German industry nor German soil, while in the occupied areas of Northern France the greater part of the furnaces, smelting works, rolling mills, foundries, textiles factories, and mines had been systematically devastated and razed to the ground. The war debt of France, amounting to 170 milliards, represented a heavier burden per head upon the 40,000,000 of her population than was borne by the German people, who were one and a half times as numerous, in spite of the cession of territory.

With respect to the loss of German territory, every Socialist at least ought to have remembered the terms of peace which Germany had dictated to Bolshevik Russia a year before. Even before

the Russian Revolution, Poland had been separated from Russia through the Austro-German liberation farce, involving an area of 114,000 square kilometres and 12,250,000 of inhabitants. Poland was followed by Finland, with 3,250,000 inhabitants. Then Russia lost, through the Peace of Brest-Litovsk, the Baltic, Lithuania, Bessarabia, and the Ukraine. All in all she suffered a loss of territory which was twice as large as the German Empire and covered 55,000,000 of inhabitants, among whom there were not even 1,000,000 speaking German.

Germany's peace of the sword had cost Russia far more than one-third of her European population. In view of the annexation plans towards France and Belgium, the most elementary feelings of political propriety, if not considerations of political wisdom, should have checked the kind of protests which were raised against the Entente conditions. But all good sense seemed to have deserted the Government, including the Right Socialists. Blindly they allowed themselves to be carried away by the wave of nationalist sentiment. It was imagined that concessions could be extracted from the Entente by senseless bluff and even more senseless threats, instead of by impressive representations. The Nationalists and Militarists hailed this popular excitement as if sent on purpose to serve the ends of their reactionary propaganda. The pan-German journalists and demagogues talked as if the declaration of a war of revenge was a matter of forty-eight hours. The wildest of them threatened an alliance with Russian Bolshevism and the unchaining of the world revolution, so as to ruin the

Entente countries. For weeks Germany experienced an orgy of nationalistic folly and militant reactionary provocation, which once more destroyed the small amount of political enlightenment which had been spread respecting the war, its causes, and those responsible for it. But this imprudent campaign of hate would not have been so uncontrolled—it might even have been impossible—if the Right Socialists had not encouraged it. The President of the German Peace Delegation, Count Brockdorff Rantzau, confessed later, in the "Berliner Tageblatt," that he had entirely disapproved of this tactless policy. "Both officially and unofficially I have repeatedly objected to the cry of 'unacceptable' which was immediately raised in Berlin, and putting the alternatives of 'sign or not sign.'" The Imperial Chancellor, Scheidemann, declared straight away that the Peace Treaty was unacceptable; he even went so far as to say that the "hand must wither" which signed the conditions. No wonder that with such unskilful strategy on the part of the Government the direction of the protest movement passed to the Pan-Germans and Militarists throughout the country. This compelled the Left Socialists to resist the senseless and frivolous agitation with all their strength, and to declare more distinctly than was otherwise necessary that, in spite of their terrible severity, the Entente conditions could not be summarily rejected. "Rejection is very convenient for the bourgeoisie," declared Haase, in a speech on May 13th. "They can easily say: We would rather starve! Up till now, I have heard the high patriotic note sounded only by people

who have never yet been hungry, and are the least likely to be hungry, if Germany is entirely blockaded. This condition, however, would be unbearable for the masses." And he wrote in an article: "For the people a condition of peace is indispensable. The tortured and martyred masses of the people desire to proceed with the organization of society in the spirit of the Revolution. They will refuse to bleed and be exposed to death by starvation." And Kautsky also uttered a warning against a Nationalist adventure, which could only involve Germany in complete ruin. If anything was likely to soften the Peace conditions it was the appeal to reason and not to fear.

Unfortunately the Right Socialists were devoid of this insight. Like the bourgeois parties, the Right Socialist group resolved in May to refuse to sign the Treaty. And even at the June conference, eight days before the final decision, the Right Socialists avoided the adoption of a clear attitude for alleged reasons of diplomacy, and out of fear of the nationalist rage of the bourgeoisie. This caused Eduard Bernstein to make some timely observations respecting the question of responsibility, amid violent interruptions. With inconceivable infatuation it was imagined that to contest Germany's guilt was to render a service to the German cause. Thus, Otto Braun, the Prussian Minister for Agriculture, said: "We must make it distinctly understood that Bernstein stands alone, not only amongst our people, but also in the party." This absence of direction among the Right Socialists and their Government members went so far that, at the last

moment, Germany barely avoided a conflict. As was revealed by Haase in the National Assembly on July 26th, the Imperial Minister of Defence was obliged to demonstrate to the party leaders on the night of June 21st that any attempt to resist the Entente by force of arms was completely hopeless. Nevertheless, on June 22nd the National Assembly accepted reservations with regard to the Peace Treaty which were certain to be rejected by the Entente. The manner in which the difficulty was eventually overcome was described by Haase in the above-mentioned speech: "Conscious of this dangerous situation, my group managed to secure that the House should grant unrestricted powers to the Government for the signing of the Peace. And what happened now on June 23rd? Those who said No—the Democrats, the German Nationalists, the German Peoples' Party, and the Centre—had it entirely in their hands to hinder the conclusion of peace. They did not do it. Herren Schiffer and Heinze even encouraged the Government to sign the Peace Treaty. When the Government declared that it did not know whether it would be able to carry on business, Herr Schiffer declared in our presence that the Government need not retire because the vote of June 22nd had empowered it to sign without asking the consent of the National Assembly. And then a factor of decisive importance arose. Schiffer informed the Government that if it signed the Peace Treaty, his party would not make capital out of it. This declaration decided the attitude of the Centre. The Democrats and the members of the German Peoples' Party breathed freely again when the

Government resolved to sign the Peace Treaty." In view of the fact that the Imperial Chancellor, Schiedemann, and the Right Socialist Foreign Minister, Landsberg, retired from the Government, their places being taken by the Right Socialists, Bauer and Hermann Müller, an opportunity was given to retract the brusque "No" and to obviate the most disastrous developments. But the blunders of the nationalist policy of the Government could not be undone. Militarism had already climbed into too strong a position. In vain Haase pointed out, on July 26th, how the German troops in the Baltic, encouraged by the Right Socialist Commissary, Winnig, were pursuing the most adventurous annexationist policy, and how recruiting for these counter-revolutionary troops was constantly going on in Berlin and in the country, in spite of the Government prohibitions. Transport trains, with troops, cannon, field kitchens and provisions, were travelling daily through Tilsit and Memel, across the frontier. "Is this known to the Government, and what is it going to do about it?" Noske tolerated this state of affairs, which was a breach of the Treaty, so long that finally the Letts and the Entente forcibly compelled the departure of these Baltic troops. When that event took place, instead of taking steps to demobilize these counter-revolutionary shock troops and render them harmless, the Right Socialist Minister of Defence permitted the concentration of a considerable portion of them in the Doberitzer Camp, at the gates of Berlin, whence they sallied forth during the daring *Putsch* of March 13, 1920, and put the whole of the Government,

including the Minister of Defence, to flight. The fact that the Militarist *Putsch* failed was not the merit of the Government, but of the German Proletariat. The reactionary *Putsch* and the discreditable flight of the Government would have been avoided if Noske had listened to the warnings of the Independent speaker. "At a time," said Haase, eight months before the Military *Putsch*, "when strict economy is imposed upon us, milliards are being spent on a new Militarism. It would, in fact, be the greatest benefit to the German people if the volunteer corps were disbanded as speedily as possible, and the execution of the Peace Treaty were not postponed until the last moment. In this respect the Government ought to take care that only those officers remain who are really filled with the modern spirit and support the Republic. It is an intolerable position that officers should quite openly conspire against the Republic and carry on monarchist propaganda. The reaction raises its head more boldly, the counter-revolution is in progress."

THE NEW CONSTITUTION

In the midst of all the storms and struggles which have been described, the New Constitution of the German Republic emerged out of protracted discussions and violent and tenacious strife in the National Assembly. By Ministers and Government Socialists it has been hailed on numerous occasions as the "most free and democratic constitution in the world." In the opinion of the Indepen-

dents it is quite otherwise. "Strip the 180 paragraphs of their high-sounding phrases, and what is left but the old familiar juridical structure of the class State. None of the characteristic features is lacking : private capitalistic economy, with freedom of exploitation ; legal decisions by the life-appointed judges of the class state ; courts martial and martial law, clerical schools, compulsory religious instruction, and, finally, the pressure of the state of siege, in order to hold down the aspiring people."¹ It would be difficult to imagine judgments which were more sharply opposed, but they can be explained on the grounds of diversity of standpoints. The Right Socialists invoked the constitutions of other republican and progressive bourgeois countries, and arrived at the most flattering conclusions. The Left Socialists, however, compared the constitution with the ideal constitution of a Socialist society, and discovered nothing but defects. But in both cases the standpoint is wrong. The Right Socialist one because the German Republic is not a bourgeois republic resting upon an impregnable capitalist republic, but a transitional structure, which arose out of the military and class state and a proletarian revolution, and therefore ought to bear a much more radical democratic and socialist character. The Left Socialists, who see nothing good in the Constitution, completely overlook the fact that the capitalist state cannot be transformed into a purely socialist society in the twinkling of an eye, but has first to pass through necessary transitional stages. If due weight is given to both attitudes it will be found that

¹ The Report of the Independents on the Labour Revolution.

the new constitution is neither so good as many Right Socialists find it, nor so utterly bad as most Independents consider it to be. It was bound to be a compromise, in any case, even if the Socialists alone formed the majority—a compromise between Socialist principles and aims and present-day economic forms, which could only gradually be re-shaped. And it was doubly weighted with defects and half-measures because it was the result of a compromise between the bourgeoisie and the Right Socialists. The political immaturity of the German Proletariat and the weakness or irresolution of its leaders are ultimately responsible for the shortcomings of the Constitution.

Yet the Constitution of the German Republic, in the aftermath of the events of November, and under the constant revolutionary pressure of the Proletariat, became an instrument which the Socialist workers do not need contemptuously to cast away, but which might very well serve them for the complete conquest of political power and the achievement of Socialist aims. Only those who reject Democracy on principle, for the transitional period, and swear blindly by the Soviet system, would venture to dispute this.

The democratic principle of equal rights is applied by the New Constitution with a thoroughness of which no other country can boast. All citizens over twenty years of age receive the suffrage, women as well as men. To avoid any inequality, elections take place according to the principle of proportional representation. The same democratic franchise for both sexes governs elections to every German

diet and municipality. At the head of the Empire is the President, who was provisionally chosen by the National Assembly, but according to the Constitution must be elected by a direct vote of the people. This might lead to conflict with the Parliamentary majority, and sometimes permit the election of unsuitable or even reactionary personalities, but all democracies have the final remedy themselves. The proletarian masses have only to be conscious of their interests and their strength in order to be able to correct any mistake. The term of office of the President is indeed seven years, and his official prerogatives are very extensive—he has the supreme command over the whole of the armed forces; he may veto the constitutional limits of the freedom of citizens, if security and order are disturbed; he appoints the Imperial Government and may submit a law passed by the Reichstag to the decision of the people—but his ordinances require to be countersigned by a minister, and all his actions of political importance are dependent upon the acquiescence of the Reichstag, which may even order a popular vote to be taken upon the question of relieving the President of his office before the term has expired.

The organ of legislation is the Reichstag, which is chosen for four years, on the basis of an absolutely equal franchise. Although, in spite of the clearing away of the dynastic lumber, it was not found possible to create a really united State, the powers of the Empire over the separate States were considerably extended. The Empire passes laws governing citizenship, emigration and immigration, extradi-

tion, military service, currency, customs and excise, the posts and telegraphs; the railways have also been transferred to the Empire. By the assertion of the principle that Imperial rights override the rights of the individual States, the opportunity is given for a continuous extension of Imperial legislation. "The Empire has much more extensive powers to levy taxes than formerly. And it goes without saying that the legislative powers of the Empire apply to every variety of socialization, to the nationalization of minerals and economic undertakings, as well as to the production, distribution, and price-determination of economic goods for the community. Generally the field of activity which is opened to the genuine democracy by the new Constitution is a very wide one" ¹

The Reichstag has also received the power, upon the request of a fifth of its members, to appoint committees of inquiry which may use all constitutional means to investigate every corner of the legislature and the administration. On the other hand, its sovereign power is restricted by the Imperial Council, a representative association of the individual States, in which every State is represented by, at least, one vote, and the larger States by one vote for every million inhabitants. Half of the Prussian votes are to be allocated by the (democratized) Prussian provincial administrations. The Imperial Council may, like the Imperial Government, bring forward independent legislative proposals, and has the right of protesting against any law which is passed by the Reichstag. The

¹ Dr. Max Quarck: "Die Neue Reichsverfassung."

law then becomes the subject of another Reichstag debate, and may finally be decided by a two-thirds majority, or the President may appeal to a vote of the people.

The presence of two-thirds of the membership of the Reichstag, and the agreement of two-thirds of those who are present, are necessary for alterations in the Constitution. In the case of constitutional alterations introduced through the medium of the initiative and referendum, the approval of the majority of those entitled to vote is necessary. As may be inferred from the above, the German people are in future to possess the Referendum and the initiative, of which the most important feature is that the people may propose and pass laws if the signatures of a tenth of all possessing a Reichstag vote, that is, 4,000,000 persons, can be secured to the project of a new law. The next stage of the Bill is consideration by the Reichstag, and if it here meets with rejection, or even modification, it is put to the vote of the people. If it secures a majority it becomes an effective law. The chief editor of "Vorwaerts," Stampfer, explained this provision in the following manner: "Let us take the example nearest to hand. The Communists reject the entire Democratic Constitution, and desire a Soviet Constitution on the Russian model. If, now, every tenth man in Germany approves of this idea, and attaches his signature to the proposal, the President is bound by the Constitution, to which he has sworn, to order a general vote of the people upon the project. Then every man over twenty and every woman over twenty in the whole Empire has to participate in

the fate of the proposal ; and if it be approved by the majority, the old Constitution lapses, and a new one takes its place. Thus Germany can be transformed into a Soviet Republic by constitutional means." Naturally, drastic changes in the Constitution are not effected in so simple a manner ; but Stampfer's example shows quite plainly the means at the disposal of the Proletariat for reshaping or improving the Constitution. The conquest of a parliamentary majority and the successful assertion of the initiative of the people presuppose, of course, the use of powerful machinery of agitation ; but do the Soviet enthusiasts imagine that the Dictatorship of the Proletariat in a country so politically and economically developed as Germany will fall into their laps by lesser exertions ?

It is not disputed, even by Right Socialists like Stampfer and Quarck, that in its present shape the Constitution contains many defects. It is just a patchwork of compromise, and it must be the task of the Proletariat, by persuading the majority of the people to use the Constitution, to remodel it. It is often merely a question of interpreting the Constitution in a democratic and socialist sense, that is, interpreting it by action and legislation.

In many points the objections of the Left Socialists to the Constitution were considerably exaggerated. It is true that the National Assembly rejected the proposal of the Independents that it should proclaim the transformation of capitalistic private property in the means of production into social property, according to the text of the Erfurt Programme of German Social Democracy. But the description of

the Constitution as being nothing more than the "old familiar juridical structure of the class state" is false. True, it contains such clauses as "the freedom of trade and industry is guaranteed within the scope of the laws of the Empire," "property is guaranteed by the Constitution," "the right of inheritance is guaranteed by the force of law"; but it also contains considerable restrictions of these determinations. Thus Article 151, which guarantees the freedom of trade and industry, begins with the sentence: "The ordering of economic life must reconcile the principle of justice with the aim of a civilized life for every one." And further: "Within these limits the economic freedom of the individual is secured." And in Article 153, which guarantees property, clause 2 reads: "Any expropriation may be undertaken only for the welfare of the community, and by legal means. It will be effected against adequate compensation, so far as the law may not determine otherwise."

All these paragraphs of the constitution are the results of compromise, but it lies within the power of the Proletariat to extend them, always provided that the Proletariat becomes sufficiently strong, through the close union of all its members, and that Militarism is kept in check.

Really harmful provisions of the Constitution may often be removed by a wise and energetic policy of education on the part of the working classes, such as the article which continues to guarantee to religious societies all the privileges of public associations, and the other articles which continue to secure to the Church its influence over the schools. The people

may alter, of its own free choice, what here displeases it in the Constitution, without needing to resort to force. Energetic action is certainly necessary, as the Socialist masses are very backward and indifferent in religious matters.

In Munich, the seat of the fleeting Soviet Republic, 52,180 parents voted, on September 4, 1919, in favour of confessional schools, while only 15,040 voted for schools attended by Protestants and Catholics (not even for secular schools), and in the case of 22,903 children no votes were cast at all. A similar indifference was manifested in other parts of Germany. It would, of course, have been more agreeable to the more progressive proletarian sections if the Constitution had immediately accomplished the separation of Church and State, but political and cultural advances do not take place so easily. Every position has to be struggled for, and in a country like present-day Germany satisfactory and permanent decisions can be registered only by the expressed will of the majority.

The worst with which the Left Socialists reproach the new Constitution and the German Democracy is the perpetuation of military and martial law and the dictatorship of the state of siege. The Constitution, however, specifies that military law is abolished except for war-time and on board of war-ships. Now one may regard military and martial laws, under all circumstances, as barbarous, and advocate their abolition, but in this case the demand is based on principle, and includes condemnation and rejection of revolutionary dictatorship. Left Socialists, however, who hold martial law and terror

of every kind to be indispensable, if decreed and exercised by the revolutionary Proletariat, are guilty of rank hypocrisy when they express moral indignation at the despotism of the present rulers of Germany. The same applies to the complaints about the state of siege. Article 48 of the Constitution grants the President power, "if public security and order are considerably disturbed and endangered in the German Empire," to intervene with the assistance of armed forces, and partially or wholly to suspend the fundamental and constitutional rights relating to freedom of person, inviolability of domicile, the safety of communications by letter, telegraph and telephone, and freedom of speech of the Press, of public meeting, and of association. Those who are enthusiastic for dictatorship, hold the Terror to be necessary, and have a thousand excuses for the coercive methods of Moscow and other revolutionary governments, ought to be able to understand why the German Republic provides in its Constitution for the exercise of coercive measures against its opponents. The Constitution itself cannot be made responsible for a wrong or rigorous exercise of these powers. The President has to give immediate cognizance to the Reichstag of the step he is taking. If it does not meet with the approval of the Reichstag majority the state of siege is immediately raised.

The Constitution of the German Republic is handicapped by all the defects attaching to a provisional arrangement resulting from a compromise, and urgently needs improvement and further develop-

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ment. But the simple repudiation of the Constitution, the Government of Democracy, and the proclamation of the dictatorship of a minority could only retard further progress, stiffen the reaction, and permanently subject the Proletariat to the state of siege which would then appear to the majority of the people as a justifiable act of defence on the part of the threatened State. For this reason Stampfer is absolutely right when he says: "If this work, instead of being continued, should be destroyed by senseless force, it would not mean the victory of the Labour Movement, but its intellectual moral, and material collapse for decades. Mountains of corpses of people killed in civil war and the ruins of a destroyed civilization would mark the stages of this collapse. Verily, the people have suffered terribly in the war, and still suffer fearfully from the pressure of the economic conditions. But should this be a reason for the people to rage among themselves? A people which lifts its hand against Democracy strikes at itself; it behaves like a lunatic and not like a politically wise nation."

FINANCIAL POLICY AND SOCIALIZATION

The cheerless heritage, in the shape of the impoverished economic life of Germany, which the Revolution was obliged to take over, assumed no more hopeful aspect with the lapse of time. On the contrary, the conditions became more desperate month by month. During the first period, when the transformation of war economy into peace economy

presented enormous difficulties, distrust in the stability of conditions and fear of socialistic expropriation paralyzed the industrial enterprise of the bourgeoisie, while the productive powers of the Proletariat suffered from the physical and moral exhaustion of the four years of war and from that nervous state which has been described as revolutionary fever. The productive decline was accelerated by practising sabotage against the employer, by endless wage movements, and by political strikes. The depreciation of the paper money, the value of which had to some extent been artificially maintained up to the end of the war, became increasingly calamitous. In England a seventh of the cost of the war had been met by taxation, and inflation had to some extent been counteracted. In Germany a general increase in prices had been caused during the war by the unceasing credit manipulations and the unscrupulous manufacture of paper money, which was bound to produce a colossal shrinkage in the value of paper money when the illusions of victory and indemnities were dispelled. On September 23, 1918, twenty-three milliards of paper marks were already in circulation. In 1913 the note circulation was thirty marks per head of the German population; on September 30, 1918, it was three hundred marks. The enormous rise in prices resulted inevitably in wage advances and war bonuses, and, together with the enormously augmented expenditure of a military nature, so increased the deficit of the Empire and the individual States that a huge increase of paper money again became necessary. In this way the note circulation rose to 41 milliards of marks on

less than in the war year 1918. The "expenditure arising out of the war and demobilization" amounted to the startling sum of thirteen milliards. The Financial Minister found this expenditure so enormous that he issued instructions that all claims arising out of the war would have to be admitted within three months, otherwise they would be regarded as invalid. The incredible negligence displayed in the demobilization and the winding up was described by Erzberger in the words, "To-day only the most drastic measures will help us. Otherwise officers will remain for a generation in the administrative offices, the winding-up offices and the barracks, until the German people are submerged in this winding up."

Militarism seemed, in fact, to be undermining Germany even after the Revolution; as the Army estimates for 1920 amounted to $3\frac{1}{2}$ milliards.

On December 3, 1919, Erzberger estimated the requirements for the forthcoming year at 26 milliards, including $17\frac{1}{2}$ for the Empire, of which $14\frac{1}{2}$ milliards would be swallowed up by payments to disabled soldiers and widows and orphans and by interest charges. The difference between $17\frac{1}{2}$ and 25 milliards would be allocated to the States and the municipalities. Henceforth the individual States and the municipalities would lose their former claim to a proportion of the direct taxes, and receive in exchange a part of the produce of the taxes levied by the Empire. Erzberger calculated that taxation would be raised in the following manner :

I. *Direct Taxation.*

	Milliards.
1. Property Tax - - - -	3.6
2. Income Tax - - - -	10.4
3. Increases in the Value of Property, including Inheritances - -	1.0
	<hr/>
Total	15.0

II. *Indirect Taxation.*

	Milliards.
1. Business and Luxury Tax -	4.0
2. Excise Duties - - - -	2.5
3. Coal Tax - - - -	2.0
4. Stamp Duties, etc. - - -	1.0
5. Customs - - - -	1.5
	<hr/>
Total	11.0

These twenty-six milliards of annual expenditure made no provision whatever for war damages and reparations, and they were based upon wholly vague calculations. The need for taxation has meanwhile developed in such a way that further increases in the coal tax are contemplated. Moreover, it was boundless optimism to assert, as did Erzberger in his speech of December 3, 1919, that seventy-five per cent of the national requirements would be met by such direct and indirect taxation as would be borne by the better situated sections of the people. For not only did the beer, spirit, tobacco, salt, coal, and matches taxes hit the working classes, but also a not inconsiderable portion of the direct taxes, as, in view of the high nominal wages, a large percent-

age of the income of the Proletariat is mulcted by the tax collectors, although with the present cost of living 12,000 marks has to be fixed as the limit of exemption. In March, 1920, the official index figures gave 715 marks as the minimum necessary for one month's existence of a man, 1,050 marks for a married couple, and 1,390 marks for a family of four. Furthermore, the possessing classes have so far understood how to shift the taxes imposed on them to the working classes. And as the Works Councils Act has withheld from the Works Councils the right to inspect accounts, there is no possibility of really getting at the incomes and property of the possessing classes.

The levy upon property, which Erzberger expected to yield forty-five milliards, was praised as an instalment of Socialism, and denounced by the employers as confiscation of property. Its chief defect consisted in the fact that its operation was to be spread over thirty years. If steps had been taken to enforce it immediately, by the transference of shares and securities to the State, it would have been a real advance towards socialization and a means for improving the deplorable state of German economy. There could be no peace for Germany in the absence of comprehensive socialization. The democratization of industry without socialization is certain to lead to constantly renewed struggles between Capital and Labour, to strikes, boycotts, and similar effects which will prevent increased production and perpetuate the poverty of Germany.

The Coalition Government could not muster the courage to adopt any serious measures of socializa-

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tion, and this fact furnished the most striking evidence of its sterility and the chief complaint against the Right Socialists. However much precipitate socialization experiments had to be avoided, it was just as necessary to refuse to be led by the capitalist class. This is precisely what happened. Several weeks prior to the Reichstag elections of June 6, 1920, a socialization commission was appointed, for the purpose of giving practical shape to a socialization policy. Now, this commission had already been set up in a different form in December, 1918, but it was ignored by the later Coalition Government, and finally dismissed with studied contempt. The results of its investigations, which the Minister of National Economy, Schmidt, declared to be very valuable, had not at this time been published. Neither the membership nor the projects of this commission could be described as being of an extreme character. Besides a number of bourgeois intellectuals, who leaned towards Socialism, Kautsky, Hilferding, and the Right Socialists Hué and Cunow belonged to it. The chairman was Kautsky, who has since sharply opposed the Bolshevists' methods of socialization. In the programme which the commission published on December 11, 1918, in the "Deutsche Allgemeine Zeitung" it was expressly declared that "the socialization of production could become effective only by means of a long process of reconstruction." The present system would have to be retained for the time being in activities relating to the export industry and foreign trade. "On the other hand, the Commission is of the opinion that socialization should be applied,

in the first place, to those branches of industry where conditions of capitalistic monopoly have developed. In particular the community must be granted control over the most important raw materials, such as coal and iron.. It will have to be ascertained which other branches of production should be transferred to the community, and which other branches of economy, as, for example, insurance business and financial institutions, may come within the scope of socialization."

The Socialization Commission instituted a comprehensive inquiry into the working of the coal mines, as a result of which a carefully considered report was submitted to the Government. But the Government shelved the recommendations of this report, and proceeded to "socialize" in their own way, which was the result of artful suggestions proceeding from capitalist sources, and which was speedily to prove the wrong way. On March 23, 1919, as a result of a general strike of miners, an Act was passed regulating the working of the coal industry, which was followed on June 18th by an Act relating to the electricity industry. Instead of genuine socialization, joint control was introduced, which united workers and masters in district associations—a national association and the Imperial Coal Council.

For the conduct of the iron and steel industries joint working committees were also established, which, with the consumers and the Government as third and fourth parties, managed the business and fixed prices. This system of joint control resembles the co-operation of workers and employers which

arose in May, 1918, and which was regarded as a caricature of Socialism. The Right Socialist, Wissel, who occupied the position of Minister of Economy in the Right Socialist Government, proposed to extend this system of joint management to the whole of industry, and to introduce Socialism by means of an economic plan. However one-sided and inadequate this method was, it was at least based on the assumption that the old system no longer sufficed, and that a serious endeavour to reorganize on socialist lines ought to be made. But Wissel's intentions were defeated by the opposition of the bourgeois parties, and even the conference of his own party left him in the lurch. As regards Wissel's ideas, Rudolf Hilferding made the following criticism: "His closely knit economic plan has only one thing in common with Socialism, that is, both must obviously be systematic. There is no trace of Socialism in the plan, which aims the whole time at confirming the employer in his capitalist property. I do not see in this scheme any approach towards Socialism, but merely a variation of the doctrine of the harmony of Capital and Labour, and a means for enabling Capitalism to surmount its difficulties."

The practical experience of "joint management" in the coal mines and in the conduct of the iron and steel industries has more than justified this sharp criticism. The workers are not appeased, and the employers know only too well how to extract high prices and enormous profits from the system.

A practical man, who was formerly managing director of the Thyssen Works, comes to an even

more unfavourable conclusion : " Through increases in the prices of coal, iron, and steel, which are for the most part unjustified, German national economy, which is otherwise in so parlous a condition, has been burdened with about fifteen milliards annually. These increases of prices are accounted for only to a very small extent by increased net costs. It was also seen that the Labour representatives on the joint councils, who are often influenced by the employers, are not in a position to discover whether the proposed increases in prices are actually rendered necessary by advances in wages or other increased costs.

" In the same way the third party to these negotiations, the ' consumer,' failed to be an effective influence. In practice, a merchant almost always occupied this position. The latter is, however, completely dependent upon the industrialists (especially in the coal, iron and steel industries), and is also interested in higher rather than lower prices. The upshot of it all was that no proper verification of net costs ever took place, and every time there was a strong majority in the bodies concerned in favour of reckless increases in price." ¹ The representatives of the workers and the Government were influenced all the more easily by the employers' representatives, because the latter frequently have at their command an abundance of economic knowledge, and are, moreover, able as debaters and speakers to represent with an assurance and skill the convictions which they have gained through long years of experience. Adolf Wagner,

¹ Alfons Horten : " Sozialisierung und Wiederaufbau."

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who was present at the negotiations concerning the Steel Works' Association, gave expression to this view when he said, on the second day of the negotiations, that it was dangerous for "our people" to take part in a discussion with "shrewd men of affairs."¹

The unreasonable dearness of coal, iron, and steel paralyzed not only the whole of industry and forced up the prices of agricultural products, but also increased the power of the heavy metal industry through the gigantic profits which these prices yielded. For the fact that the German industrial magnates are now able to buy up newspapers, and provide hundreds of millions for the electoral and propaganda funds of the reactionary parties, the vaunted "socialization" measures of the Right Socialists are responsible.

The Right Socialist Ministers eventually realized this, but the results of the Reichstag elections of June 6th revealed to what an extent socialization was a question of political power.

¹ Arnold Steinmann-Bucher: "Sozialisierung."

CHAPTER VII.

THE REVOLUTIONIZING OF THE PROLETARIAN MASSES

DICTATORSHIP OR DEMOCRACY

THE military and political collapse in November, 1918, had brought a great accession of strength to Socialism. The Social Democratic vote, which had amounted to one-third of the votes cast before the war, increased to forty-six per cent in the elections of February, 1919. At that time five-sixths of these votes fell to the Right Socialists, but a few months later opinion began to veer towards the Left with ever-increasing rapidity. The consequences of the civilization-destroying policy of the war, the consumption of all raw materials, the deterioration of the means of production, the depreciation of the international value of the mark, and the decline in human labour power, quickly became apparent in the shortage of products and the enormous rise of prices. Extensive wage struggles and a colossal increase in membership of the vocational organizations of the workers, employees, and officials were the next results of this development. But the economic struggles also drew the masses into the political vortex, made them susceptible to the teachings of the Socialist Left, which gained

the adherence, not only of the picked troops of the industrial proletariat, but also of wide sections of the recently organized and the political neophytes. The more critically the economic situation of the working class developed, in consequence of the swiftly mounting prices, the more provocative the New Militarism became, and the more inadequate the economic measures of the coalition Government proved to be, all the more numerous and credulous were the supporters of the doctrine imported from Russia, that "formal" democracy was only a means to lead the workers by the nose, and that the real emancipation of the Proletariat from the bonds of Capitalism was to be expected only from the Soviet system and the Dictatorship of the Proletariat.

The Soviet idea and the dogma of the Dictatorship of the Proletariat arose out of the struggles and successes of Russian Bolshevism. The conquest and maintenance of the Bolshevik Dictatorship inspired Däumig, Liebknecht, Luxemburg, and many others with an enthusiasm and a thirst for power which blinded them to the economic consequences of the Soviet system and the brutal terror which logically derived from dictatorship. One of the most fervid eulogists of Bolshevism was Däumig, who since 1916 had edited the "Berliner Mitteilungsblatt," the Independent substitute for "Vorwaerts," which had passed into the possession of the majority.

From this position he repudiated with indignation the objections to Bolshevik methods raised by Bernstein and Kautsky, and even prevented his

readers from learning the nature of this criticism. These editorial tactics of Däumig were imitated by other Independent journals, so that the uncritical enthusiasm of so many Independents is due to sheer ignorance of the actual conditions in Russia. At the conference of the Independents in September, 1918, this strong sympathy with Bolshevist methods found expression among the majority of the delegates, and Kautsky, Bernstein, and the present writer fought against it in vain. And as even men like Haase and Hilferding at that time and subsequently preferred to adopt a middle attitude, instead of taking a strong stand for democracy and vigorously opposing dictatorship, the extreme section soon gained the leadership in the ranks of the Independent Social Democracy.

The Conference of the Independents, which was held in March, 1919, marked distinctly the departure of the Independents from the principles of democracy, and revealed the leaning to the Soviet system. This time, too, a compromise was effected, whereby democracy and the Soviet idea were balanced against each other. Haase recommended a programme of action, which demanded the "organization of the system of Workers' Councils, and its embodiment in the Constitution." The Workers' Councils were to have the right to propose laws and to veto laws which had been passed by the legislative assembly. In the case of differences of opinion between Parliament and the Councils' Assembly, the issue was to be finally decided by a vote of the people. The Workers' Councils were also to co-operate in the running of industry and in

accomplishing the socialization of the means of production. Haase explained the chief ideas of his proposal in a speech, from which I quote: "The National Assembly is a factor which has to be reckoned with. . But the question arises, If the Assembly does not represent a whole democracy, is not a supplementary body necessary? Events have recently shown us that it is necessary. This supplementary organization consists in the councils, which are everywhere maintaining their rule. I have already pointed out that it is false to posit the alternatives 'National Assembly or Soviet System.' For the present one should rather say: 'National Assembly and Soviet System.' "

Däumig represented a standpoint which was essentially different. Although he remarked that one need not slavishly imitate the Russian comrades, and that he could not recommend any Soviet system elaborated in all its details, he asserted that the Soviet system stood in sharpest contrast to Parliamentarism. It has two sides, a political and an economic. "Above all, the characteristic sign of the Soviet system is that it combines legislation with administration, two things which ought not to be dissevered; while in the existing State form of Parliamentarism the whole great, powerful administrative machine works without its being possible for Parliament to exercise continuous control over its operations. The economic task of the Soviet system consists, on the one hand, of putting socialization into practice, with the help and by the strength of the Proletariat, as rapidly as possible, so long as we are in the transitional period,

and, on the other hand, in creating an economic organization which will enable the Proletariat to have in its own hands the direction and regulation, not only of production, but of consumption." Däumig's programme, therefore, did not aim at supplementing parliamentary democracy by a Soviet system, but at its replacement by such a system. The functions of the legislative and national executive were to be taken over by a network of Workers' Councils, culminating in the Congress of Councils. This Councils' Congress, in accordance with the Russian example, would select a central or executive committee, the members of which would be subdivided into commissions, which would represent "a co-ordination, and a unification of parliamentary and administrative activity." The economic activities already described were to be carried out by an organization of Works Councils, linked together and centralized according to districts and provinces, culminating finally in a People's Economic Council. "The party must take a stand on the ground of principle—either we continue to support the old principles of Parliamentarism, or we decide in favour of the Soviet system."

The Conference itself adopted a programme which contained two-thirds of Däumig's theses, without, however, wholly refusing justification for the existence of Parliament. It emphasized the necessity of a new proletarian fighting organization, and continued :

"In the Soviet system the proletarian Revolution has created this fighting organization. It secured

to the Proletariat the right to self-government in industry, in the municipality, and in the State. It effects the transformation of the capitalist order into a socialist one. . . .

"The Independent Social Democratic Party adheres to the Soviet system, and strives for the Dictatorship of the Proletariat. To achieve this object the Independent Social Democratic Party makes use of all political and economic weapons, including Parliament."

This signified, in reality, the abdication of democracy in favour of the Soviet system. And when Haase and Hilferding showed themselves unwilling to admit this, the thoroughgoing Spartacist members of the party pressed all the more vigorously for these principles to be avowed. The "Freiheit," in particular, was constantly attacked because it flirted too suspiciously with democracy, and did not advocate the proletarian dictatorship with sufficient precision and energy. In this connexion, the "Freiheit," out of consideration for the revolutionary sentiments of the party officials and of the Left Wing in the Party Executive, did not even dare to recommend the masterly criticism of the Soviet dictatorship and its German advocates, which Kautsky, their most eminent theoretician, embodied in his work, "Terrorism and Communism." In this book there were indeed to be found sentences like the following: "The contest for dictatorship from the Left and the Right cannot lead to a real dictatorship, but only to anarchy and complete ruin. At the present moment a dictatorship is advocated, but is to be

only of short duration, and to be practised without coercion. This is the worst of all illusions. In a country in which all classes are accustomed to active political life, no party which aspires to exercise dictatorship can succeed without the use of force. However pacific their intentions may be, however strong their desire to secure by dictatorship merely the opportunity for positive work, after their system has been inaugurated it will soon transpire that of their dictatorial functions nothing remains but coercion. The only way to avoid coercion and to proceed with peaceful and constructive work is offered by democracy, which at this moment is violated, in theory by the Left and in practice by the Right Wings of the Socialists."

Kautsky's striking book met with so little attention at the hands of his own party, which listened more and more to the declamations of wild revolutionary romanticists, that in December, 1919, its Leipzig Conference affirmed even more pointedly than before its belief in the Soviet system and the Dictatorship of the Proletariat: "The Independent Social Democratic Party supports the principle of the Soviet system. It supports all efforts to organize Soviets as proletarian fighting organizations, even before the conquest of political power, and to attract to them workers by hand and brain, who will be trained for the Dictatorship of the Proletariat." The ominous decision to withdraw from the Second International was also made at Leipzig. The whole conference was under the influence of the extreme Left, which met with no resistance, because a few weeks previously the

President of the Party, Hugo Haase, had fallen a victim to the bullet of an assassin. Haase's influence had declined during this period of abnormal excitement, when policies based on mere sentiment found favour. His popularity had been successfully challenged by persons of sanguine temperament, fanatical intolerance, and robust pushfulness, who in such times exercised a suggestive influence upon the psychology of the passionately excited masses. Only when it seemed that the bullet of a madman was to remove their leader did the masses, alienated from him by fanaticism, begin to realize the value to them of this incorruptible and clear-minded man. Had Haase recovered from his wound his influence would have been greater than ever before, and his judgment, matured by a long convalescence, would have exercised a most clarifying effect upon the distracted counsels of the party, and the most beneficial influence upon the discussions and decisions of the Party Conference. All these hopes were now dashed to the ground.

Before the conference a lively debate had been proceeding with regard to withdrawal from the Second and eventual affiliation to the Third International. Stocker, a member of the Central Committee of the party, had definitely advocated this course. His executive colleague, Crispian, also opposed continued membership of the Second International, but came to the conclusion that the Moscow principles could not form the platform of a new International, as such an association could be created only by the concerted efforts

of the Revolutionary Socialist Parties in all countries. The Party Conference resolved on the breach with the Second International, and the opening of negotiations with the Communist International and other social-revolutionary organizations, in order to effect a new joint international association. But this concession to the Communists neither satisfied the extreme members of the Independent Party nor aroused friendly sentiments in Moscow. The Executive Committee of the Communist International published on February 5, 1920, a very full answer, in which were enumerated the conditions under which a unification of the Independents with the Moscow International would be possible. The Independent Social Democratic Party of Germany has, it is true, adopted the fundamental ideas of the German Spartacists, but it has assimilated them in a fashion which was too protracted, illogical and incomplete. The "recognition" of the Dictatorship of the Proletariat and the Soviet power was merely lip service. And, what was worse still, "the Independents tolerate in their midst writers who deny all the basic conceptions of the Dictatorship of the Proletariat" (Kautsky and his friends). The Independents took part in the Berne and Lucerne Yellow Conferences, and after the Leipzig Conference the Independents left their central organ, "Freiheit," in the hands of the moderate Hilferding, a supporter of the Yellow Second International. In conclusion, the Communist International was quite ready to widen the Third International and to receive a delegation of the Independents at

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Moscow, but it decisively refused to have any dealings with the Right leaders of the Independents, who were pulling back the movement into the morass of the Yellow Second International. The Executive Committee, however, hoped that the revolutionary consciousness of the masses would purify the leadership of the Independent Social Democratic Party, and that eventually its best elements would be organized under the common banner of the Communist International.

The "Freiheit" had for a time ignored this comprehensive Moscow letter, but the Left Wing of the party pressed so insistently for a decision that the question was likely to become a burning one after the elections. The political situation would then invest the alternatives of democracy or dictatorship with practical importance. And it would then depend upon the political insight of the German Proletariat whether the German Revolution ended in anarchy and interminable civil war or in reconstruction upon democratic and socialist lines.

THE SOVIET SYSTEM

The conception of the Workers' and Works Councils which Hugo Haase put forward at the Berlin Congress of the Independents, namely, that a Parliament based upon universal and equal suffrage must be supplemented by a Parliament of Labour based on Workers' Councils, found supporters even in the Right Socialist circles. Thus, for example,

Max Cohen and Julius Kaliski recommended an organization of councils which would be capped by a Councils Chamber, which would stand on an equal footing with the People's Chamber. The justification for this proposal is explained by Cohen in these words: "Ferdinand Lassalle ridiculed the Liberal State as a night-watchman State, which has no other object than to see that no harm comes to the individual in the free exercise of his talents. This Liberal State no longer exists. Its place has been taken by a State which, at least, reveals a tendency towards Socialism. As Socialism is attainable only by the most intensive labours of all, the new State, in addition to its other foundations, must be based upon a vocational chamber, which, elected in accordance with the performance of labour, will never be of a reactionary character. It must function, as a matter of course, on the lines of increasing the volume of production and realizing Socialism. Up to the present the workers generally have not had a real status in production. This is important, precisely because the possibility of achieving Socialism depends upon the extent to which the level of production is raised. In this sphere the activities of the Workers' Councils must, above all, be displayed. They must influence the productive forces of Germany in the interests of the community, and so develop them that Socialism will eventually become practicable."

This idea of linking democracy and the councils organization together is regarded in a hostile light by all those Left Socialists who expect Socialism to arise only from the pure Soviet idea. One of the

most vigorous champions of the Soviet system and the Soviet Dictatorship is Geyer, a Leipzig editor, whose arguments are here reproduced. Socialism, says Geyer, can never be realized by parliamentary resolutions or decreed by democracy in any way, but only by the power of the proletarian instrument of Soviet organization can it be accomplished. This Soviet organization must consist of two bodies : the Workers' Councils, which, as the organ of the political rule of the Proletariat, have to take over the political and legislative machinery and break down the resistance of the ruling classes, and the works councils, which have to fulfil specific economic functions. These works councils "must have the right to supervise the smallest details of the business." "The whole undertaking, its earning capacity, the distribution of profits to the employer and the shareholders, and their allocation to reserve funds and the extension of production—all this must be disclosed in their minutest details to the works councils, and thus to the workers employed in the business. It is necessary that the works councils should have, not merely joint powers of determination, but a decisive influence in the undertaking. They must be empowered to decide upon the engagement and dismissal of workers. Their deciding influence must extend to all questions relating to the business, including works extensions and measures to increase the productivity of the industry."

The powers of the works councils are to be restricted only by the central organizations of the works councils, through the medium of district

works councils of single groups of industries, which will elect a central district council for each industrial group. "These central industrial councils, each of which will supervise and influence in a decisive manner a branch of industry, must finally elect a central economic council for the whole country. The latter body will constitute the supreme economic authority of the whole of German economy. It must be closely connected with the Central Committee of the Workers' Councils. It will collect all available statistical information concerning the whole of German production. It will be possible for it to supervise and organize the entire field of production and to adapt production to social needs."¹

How this elaborate organization is to be carried out in detail is declared by Geyer to be a question of secondary importance, in comparison with the introduction of this Soviet system, and the confirmation of its powers. And Däumig repeats that everything will work of its own accord. "As the Soviet organization is the child of the revolutionary epoch, it will not make its appearance fixed and finished in beautifully phrased sentences. The first task of the Soviet system will be the preparatory organization of the Dictatorship of the Proletariat. Secondly, it will be the instrument for the political struggle, and thirdly, after victory has been achieved it will be the means for realizing the Dictatorship of the Proletariat, both in the economic sphere and in the life of the State." Like Geyer and the other Independent propagandists of the Soviet system,

¹ Kurt Geyer: "Sozialismus und Ratesystem."

Däumig anticipates a process of development which will not be of short duration.

In my opinion, the Dictatorship of the Proletariat can be realized only after the necessary economic and political conditions have been created by a gradually organized Soviet system. In view of this knowledge it is difficult to understand why at that time the Dictatorship and the Soviet system were subjects of such violent discussions. For not only was the support of the Soviet system and the Dictatorship of the Proletariat erected into a distinguishing mark between Independents and Right Socialists, but these ideas were expressly advocated by the Independent candidates for the National Assembly.

That the much-discussed Soviet system is at present nothing more than an idea or a theory is admitted by those of its champions who have examined it most thoroughly and conscientiously. A case in point is the book published by some writers on economic subjects in April, 1920, under the title of "Economic Textbook for Works Councils." These authors, who are all supporters of the Soviet system and, so to speak, Soviet specialists, utter serious warnings against rash and hasty schemes for Soviet organization. The trend of their reasoning supports our contention that the Soviet system cannot be regarded as an immediately practicable substitute for democracy and capitalism. It is not, in fact, disputed that for the time being democracy, and at least a considerable portion of the economic system, cannot be dispensed with. But even if the German working class could to-day

assume political dictatorship, thoroughgoing socialization of production would be out of the question until the Proletariat had made itself sufficiently familiar with difficult and complicated economic functions. As Kautsky has said: "Nothing can be more economically disastrous than the kind of socialization practised in Russia and Hungary. In face of our poverty it is doubly necessary, in all cases where socialization may be applied, to make sure that Socialist labour will be more productive than capitalist labour."

Kautsky's warning against any imitation of Russian socialization methods is all the more timely as in Germany industry and trade constitute quite a different factor in the national life, and employ an infinitely greater percentage of the whole population than is the case with agrarian Russia. In the year 1907, 14,348,000 persons were engaged in industrial concerns, whereas to-day not more than 1,000,000 workers can be employed in the whole industry of Soviet Russia; thirteen years ago, in Germany, there were far more than double this number of workers engaged in the metallurgical industries alone. Approximately 4,500,000 of persons were engaged in businesses employing more than 50 workers. In 1910, 60 per cent of the entire population of Germany lived in towns, the country population being only 40 per cent. More than one-fifth of the population dwelt in towns of more than 100,000 inhabitants, and 34 per cent in towns of more than 20,000 inhabitants.

Any further disturbance of the shattered national economy, or postponement of its reconstruction,

would inevitably bring a fearful catastrophe upon the German people.

THE STRUGGLE FOR THE WORKS COUNCILS

When the November Revolution swept away the old State and the socialistic Proletariat became for a few weeks the depository of public authority, it was the Workers' Councils which immediately assumed the government and the administration. But the organs of the working class did not only take over the functions of the State and the Municipality: it was also necessary to make notable alterations in the status of the workers in industry. The first thought was for the immediate abolition of private property in the means of production, and the socialization at least of all branches of industry in an advanced stage of technical organization. To the realization of this object the activities of the Socialization Commission would be devoted; in any case, the first step was to break down the domination of private enterprise, and to set up a constitution for the factories, which would form a transition to actual socialization. As the Workers and Soldiers' Councils represented the instrument of political rule of the victorious Proletariat they transferred the representation of economic interests in the workshops to the works councils. Accordingly, the Berlin Trade Union Commission, in agreement with the Executive Committee of the Workers' and Soldiers' Councils, issued on November 15, 1918, instructions for the election of new Works Committees. The tasks of these representative

labour bodies were described as follows : " These committees are to regulate the whole of the labour conditions of the workers, especially the fixing of hours and the settlement of wages. They will carry on their activities in agreement with the business management." In accordance with a pronouncement of the Workers and Soldiers' Councils of Greater Berlin, the trade unions were to be consulted in the event of differences between the committee and the works management. It was further laid down that no workers could be dismissed until the working day had been reduced to four hours,

The weakness of the Right Socialists, the revolutionary exuberance of the Spartacist elements, and the struggles thereby provoked within the ranks of the Socialist Proletariat, quickly dislodged the working class from its point of vantage. As the Central Congress of the Workers and Soldiers' Councils, by appointing an early date for the National Assembly, carried out its own dismissal, the ordinance of December 23, 1918, relating to Workers' and Employees' Committees, deprived the works councils of the social rights which had been conceded a month before. The efforts of the workers at that time to establish more open unions of employees found no support from the other trade union representatives, who were appointed by the Government to take part in the preliminary discussions. The trade union leaders represented at this period the extreme right of the Labour Movement ; only the progressive change of opinion of the proletarian masses in a revolutionary sense during the further course of the Revolution

brought, as in the case of the metalworkers and woodworkers' union, the revolutionary leaders to the head of affairs, and compelled the old leaders belonging to the moderate tendency to make concessions to the more advanced section. Under the pressure of the formidable general strike in Central Germany, in which the Berlin workers also participated, the Government found itself obliged on March 5th to announce a project for the creation of a legal Councils system. Great strikes which broke out in the metal industry in Greater Berlin, and which lasted for three weeks, not only for wage demands, but above all for the right of joint control of industry, extorted from the Government on April 5th the further declaration that, according to a Cabinet decision, the workers " would be summoned to co-operate on equal terms with the employers in the regulation of conditions of work and wages as well as in the entire economic development of the productive forces." And the Imperial Constitution of August 11, 1919, repeated this assurance in Article 165. The Works Councils Act itself, which eventually came into force in January, 1920, however, proved to be a bitter deception for the workers. Even " Vorwaerts " in its issue of May 18, 1920, commented: " There is no doubt that this Act does not meet the wishes of the workers." It fell considerably short of the assurance contained in Article 165, and the promise of the Imperial Chancellor, who had declared in October, 1919, that by means of the Works Councils Law the workers engaged in industry would be invested with sovereign rights.

Clause 165 of the Constitution promised that the workers and employees should co-operate on equal terms with the employers in the regulation of wages and working conditions. Clause 65 of the Act, however, allots to the works council the task of "supporting the works management by its advice." And whereas the Constitution speaks of co-operating "in the whole economic development of the productive forces," the Act limits the co-operation of the works council to securing "the best possible conditions of productivity in the industry." "Co-operation on equal terms is not guaranteed in questions of engaging and dismissing workers, although the Government made binding declarations to this effect. The employers' influence in the shaping of the law showed itself especially in the fact that the workers and employees, now as before, are to be denied any insight whatever into the conduct of the business and the entire economic connexions of the productive process. So long as the veil over the so-called business secrets of private profit-seeking is not to be torn aside our economic life has little chance of recovery. The spirit of the economic counter-revolution animates the other clauses of the Act. The endeavour to separate artificially the workers, the employees, and the officials, in order to undermine their solidarity, is certain to be frustrated, as the employees and officials are to-day too well aware of their class position to allow themselves to be played off against manual workers." Such is the opinion of a representative of an employees' association.

Nevertheless, the workers, including those belong-

ing to the Socialist Left, determined to take the utmost advantage of the provisions of the Act. It rests with the workers themselves to carry on the struggles for joint control, to the end that the works representation which has been legally conceded may be converted into works councils worthy of the name.

In May, 1920, a bitter struggle arose within the ranks of the workers regarding the constitution of the legally elected works councils. The Left Independents advocated an independent organization of works councils, while the Right Socialists, and the trade union leaders who followed them, and numerous Independent Trade Unionists, considered necessary the close attachment of the works councils to the trade unions. Däumig asserted that by affiliation to the trade unions the works councils' organization would degenerate into a mere appendage of the trade unions and become agents of the sections which were friendly to harmonious relations with Capital. In this case all hope must be abandoned either of effecting drastic changes in trade unionism, and promoting its development into industrial unions in place of the present craft unions, or of maintaining the councils system or the Soviet idea. The struggle for the realization of Socialism would then stagnate and die down. Richard Müller also perceived the stagnation of the Revolution in the attachment of the works councils to the trade unions. The struggle in the workshops ought to develop into a political fight. The agitation against the Works Councils Act and the projected arbitration law,

which was merely a law to break strikes, must be carried on with the utmost energy, and the works councils constitute the appropriate means for conducting this big political campaign. It was therefore impossible to place them under the tutelage of trade union leaders who are anti-revolutionary.

Once more the extremists among the Independents were pursuing a shortsighted, disruptive policy. However justifiable their mistrust of the old trade union bureaucracy might be, by their convulsive efforts to bring the works councils into antagonism to Democracy and to trade unionism and to make them the advocates of proletarian dictatorship, they only strengthened the influence of the trade union bureaucracy by throwing into their arms all trade union leaders who were too intelligent to have anything to do with such a Utopia.

Instead of utilizing the works councils for the practical education of the Proletariat, and of revolutionizing the trade unions from within, a policy of futile demonstrations and mere disruption was preferred.

CHAPTER VIII

THE CRISIS OF THE REPUBLIC

THE MASSACRE IN FRONT OF THE REICHSTAG

IN another book the present author described the situation at the end of the year 1919 in the following words: "If we draw up the balance sheet of the first year of the Revolution on November 9th, we are obliged to face unpleasant facts. With the exception of a handful of political place-hunters, and the swollen numbers of profiteers, who have preyed like hyænas upon the mouldering corpse of our national life, the whole country feels the greatest depression at the course and the results of the Revolution. On this day, which is the anniversary of the birth of the Republic, not only are the Junkers and the Upper Middle Class eager to deal it its death-blow on the first opportunity, not only has it become an object of ridicule and contempt to the petite bourgeoisie and the peasants, but also to the Proletariat itself, which feels it has been mocked and deceived, and regards democracy merely as a cloak behind which capitalist exploitation and the arbitrary power of bureaucratic militarism may flourish as well as under the monarchy and the avowed dictatorship of the sword.

"Those who do not look at things through the

spectacles of class prejudice must admit that the working class (and with it the officials and the mercantile and technical employees) have every reason for the bitterest complaints. Their condition has remained as poor as hitherto. If hours of labour have been reduced, and if nominal wages have been considerably raised, the purchasing power of money has become so ludicrously small that millions are actually hungry. The rage of the starving masses is heightened by the spectacle of the shameless riot of profiteering. All wine-shops and places of amusement are crowded. Bars and gaming clubs spring up like mushrooms. In the jewellers' shops, where displays of diamonds dazzle the eyes of the wretched beholders as never before, brooches, necklaces, and rings worth tens of thousands are in great demand. The world and his wife array themselves in fur coats which represent fabulous values, trip along in boots which would cost a month's wages of a workman, buy the choicest eatables in the shops, and all this under the glowering eyes of poverty. And then people wonder at the growth of Spartacism and Bolshevism, at the uninterrupted strikes, at the ferment among the labouring classes.

"Instead of demonstrating to the workers the falsity of this political pessimism, by drastic social reforms, by resolute democratization of the whole of the State institutions, thus reconciling the revolutionary sections of the workers with democracy, the Government has throughout the year done everything to accentuate the distrust and the despairing sentiments of the proletarian

masses. Instead of striving to gain the allegiance of the people, the state of siege has been declared to be in permanent operation, a new Militarism has been reared, which is felt by the Proletariat to be an alien association, a hostile force, in quite a different sense than the former standing army.

"This internecine strife in the socialist ranks was in reality the consequence and the continuation of the doctrinal differences and the internal party struggles which assumed such an irreconcilable form during the war, but, historically regarded, it was nevertheless a disastrous blunder, and, from the standpoint of the working class, a terrible crime. It was, in effect, the most shameful treason to the Revolution. For if the working class, if the great mass of the people, is not to be cheated of the fruits of the Revolution, if it is not again to be forced into the yoke of Militarism and capitalist exploitation, the reconciliation of the two socialist groups and common action on their part are the prime essentials. Only the united action of all Socialists can offer protection against counter-revolutionary intrigues, and promote a transformation of economic conditions on socialist lines. Instead of grappling with constructive and democratic-socialist tasks, the workers are plunged into reckless civil war, which consumes all the creative political energy of the Proletariat.

"There must be no more shedding of proletarian blood, if the German working class and its future are not to be sacrificed in civil war. Either proletarian reconciliation or proletarian self-destruction. There is no third alternative."

Unfortunately these warnings passed unheeded

in the tumult of political passions. Just at the moment when the counter-revolution had made its preparations for a decisive blow, a fresh bloody encounter took place between Noske troops and workers, between Right Socialists and Independents, in consequence of an unhappy mischance and inconceivable political incapacity. On January 13, 1920, the Independents summoned their supporters to a demonstration in front of the Reichstag, in order to register their protest with the greatest effectiveness against the Works Council Law, which was about to receive definite sanction.

The workers obeyed the summons in enormous numbers, and crowded thickly about the Parliament buildings, which had been occupied by a detachment of troops at the instance of the Prussian Minister for Home Affairs, the Right Socialist, Wolfgang Heine. These troops were stationed before the doors and upon the wide steps, and they had brought machine guns into position. The demonstration would have had the most striking effect if its organizers had had the intelligence to arrange for its termination at an opportune moment, and for the systematic withdrawal of the hundreds of thousands who attended. As no thought had been given to this at all the masses moved backwards and forwards in front of the Parliament buildings for several hours, during which time they began gradually to become excited, while a dangerous nervousness seized hold of the soldiers. When the tension had reached a critical stage, and several soldiers had been disarmed, a shot was fired—apparently from the crowd. This shot was the

signal to the guards for a furious machine gun fire lasting several minutes, before which the crowd dispersed in wild panic, leaving behind a large number of killed and wounded.

This tragic occurrence, which was certainly not deliberately engineered by the Right Socialists or the Independents, but owed its origin to a series of unforeseen events, inflamed the hatred between the two socialist sections to white hot intensity. Each of the hostile parties heaped complaints and abuse upon the other. The Independents asserted that the Government troops, without any cause, had blindly fired into an unarmed crowd, because the soldiery and its supporters in the Government were anxious to perpetrate yet another massacre among the Proletariat. On the other hand, in their eagerness to exculpate themselves, the Right Socialists lost all sense of perspective. The social-democratic ministers, Bauer and Heine, not only asserted that the troops had behaved quite correctly, and refrained from blaming the demonstrators themselves, but they shifted the ultimate responsibility on to the Independents and Communists, against whom it was necessary to adopt all measures. The blood of the slain, exclaimed the Chancellor, Bauer, is on the heads of the Independents. Parliament would support the Government in its steps to fix the responsibility of the "intellectual authors" of the catastrophe and to suppress the newspapers which had poisoned the minds of the people.

On January 18th "Vorwaerts" ventured to speak of a deliberate conspiracy from the Left. "There can be no doubt that on January 13th it

was intended to disperse the National Assembly as the culmination of a widely spread conspiracy throughout the country, having as its object the overthrow of the Government and the establishment of the Soviet Dictatorship." Let the worst that is possible be ascribed to the Left. The degree of madness involved in contemplating the setting up of the Soviet Dictatorship, with a crowd of entirely unarmed people, in the centre of a capital swarming with Noske troops, could not be imputed to them. The responsibility of the Independents was sufficiently great without this; it consisted in an incredible lack of political intelligence and foresight. This guilt was admitted in an Independent apology, which was published at this time in the following words: "We are far from attempting to excuse what cannot be excused. We regret most heartily that arrangements were not made to summon the crowd to disperse at a given time, after the object of the demonstration had been achieved. The contingency of unpleasant developments, if the crowd did not withdraw at the right time, ought to have been foreseen. We know from long experience that waiting on such occasions, without a definite object, sets the nerves on edge, and there are always rowdy and unreliable elements which refuse to observe the necessary discipline."

If the Socialist Ministers had contented themselves with a statement of the clear facts, if they had expressed sincere regret at the tragic occurrence, and addressed an impressive appeal to the intelligence and the sense of solidarity of the masses, they

would have met with considerable response from the Proletariat. Instead, however, of turning this unfortunate incident to the advantage of proletarian solidarity and socialist reconciliation, these maladroit representatives of Right Socialism merely used this opportunity to launch a campaign against Left Socialism. "Freiheit," the "Leipziger Volkszeitung," the "Rote Fahne," together with thirty Independent and Communist papers were suppressed for several weeks, without any justifiable cause, by the arbitrary force of the newly decreed state of siege. In addition a number of revolutionary leaders, including Däumig, were kept in prison for months on the flimsiest pretexts. The consequences might have been expected. Such stupid and brutal persecutions drove the masses into the most revolutionary opposition. The reaction was jubilant at this new disruption and weakening of Socialism, and proceeded with all the greater confidence to make preparation for the military insurrection.

THE KAPP PUTSCH

"On Friday, March 12th, at 11 p.m.," so related the "Vorwaerts'" editor, Erich Kuttner, on April 3rd, in his newspaper "I had a telephonic conversation with Comrade Noske a few hours before the insurrection broke out. Noske declared to me over the telephone that his customary optimism had not forsaken him, that he did not believe, on the strength of the stories of excited

people, in an imminent military catastrophe. Ehrhardt did not seem as if he intended to march on Berlin, in Doberitz everything was quiet, and for the rest he had taken all precautions. Six hours later Luttwitz and Ehrhardt were the masters of Berlin, the military counter-measures had come to naught, and the Government, together with the War Minister, were in flight to Dresden."

For months this rebellion had been expected by everybody except Noske. Everybody who was not hopelessly impervious to facts understood that the revolt of Militarism could not be deferred for long. The officer caste, from which the sceptre, wielded for centuries had been wrested on November 9th, had been raised again by Noske to sovereign power and unbounded influence. Several hundreds of thousands of soldiers, composed of carefully selected opponents of the Revolution, young apprentices, peasants' and labourers' sons, who brought from their homes the slenderest social knowledge, who were incensed against the Republic and Socialism by the most unscrupulous oral and written propaganda, and thus transformed into blind tools in the hands of their superiors, had made themselves the absolute masters of the country. "The troops were guilty of the worst offences against the populace, but nobody was punished or dismissed from the army. Officers murdered their political opponents and received practically no chastisement.

"The national army was much stronger than, according to the Peace Treaty, it ought to have been. The Kaiser's birthday was twice celebrated

of Captain Pabst and Colonel Bauer, wanted to strike. Then the insurrection was planned for August, but on the advice of Luttwitz it was postponed. Meanwhile the net of the conspiracy was being cast ever wider. The general director of Agriculture, Kapp, was won over and became the political head. He was a pan-German, and during the war had vigorously attacked the Chancellor, Bethmann Hollweg, because the latter had preserved a slight measure of political reason in comparison with the militarist firebrands. At the beginning of March matters had progressed so far that it was believed that the trial of strength could be ventured on, with every prospect of success. Noske himself was not without misgivings, and had been warned on numerous occasions. The "Vorwaerts" editor, Kuttner, in his article quoted above, called "all the Berlin party officials and all the readers of 'Vorwaerts' to witness in what abundant measure warnings of the most disquieting facts had been received. But the Social Democratic War Minister dismissed all facts from his consciousness, when the officers' camarilla soothed him with a slight distortion of the state of affairs, or with the perpetual reference to 'technical necessities' or 'to keeping the troops calm.' The well-informed Kuttner, who was a member of the League of Republican Officers, assures us that the problem facing Noske was in no way an insoluble one. In the spring of 1919 the troops were for the most part Republican. Noske had only to checkmate the constant machinations of the reactionary officers to fill all the posts with their relations and friends. But he gave the

officers' camarilla a free hand, pushed on one side the League of Republican Officers, and allowed the democratic elements among the officers and men to be discouraged. "Where a body of troops was really loyal to the Republic, he allowed himself with astounding credulity to be persuaded by its officers that it was honeycombed with Bolshevism, and ought to be disbanded. The Republican soldiers newspaper, 'Die Reichswehr,' was obliged to cease publication, and the troops were deluged with inflammatory reactionary periodicals." Such is the testimony of Noske's party comrade, Kuttner, in "Vorwaerts." The Conservative, Dr. Adolf Grabowski, an unusually acute politician, was of the opinion that Noske had cherished the simple belief that the old officers' corps, out of personal devotion to him, would abandon their old feudal connexions. And a person who was so uncertain about the most elementary facts of historical development called himself a Socialist. "But Noske is a typical non-commissioned officer. He is a militarist with negative characteristics, a person who is worse than the old feudalists, for the latter always had traditions, and were associated with many great things which the Prussian State accomplished. Because Noske is a small man he embodies that special type of non-commissioned officer who represents the policy of hitting below the belt in its most brutal form. The wide gulf between the two socialist parties, the dark hatred of the Independents for the Right Socialists, and all that has flowed from it, have primarily arisen on account of Noske." This description illuminates, indeed,

the personality and policy of Noske. The monstrous thing is that this man was able for a year and a quarter to work ruin to the Republic without being called to order by his party and expelled therefrom.

On March 12th the Government Press raised the alarm about the rebellion which was immediately threatening. The Government sent envoys to the rebel camp at Doberitz, where the Ehrhardt brigade was being equipped for the march on Berlin. The envoys conducted themselves in a highly ambiguous fashion, and returned home without having achieved their object. In the Chancellery, Ministers anxiously discussed defensive measures, but the troop commanders who were consulted for the purpose almost unanimously declared that they could not answer for the reliability of their troops. Thereupon the majority of the Ministers, with Ebert, Bauer, and Noske at their head, fled in automobiles, after midnight, to Dresden, leaving behind them in Berlin the National Liberal Schiffer and a few Prussian Ministers, so to speak, as strike pickets. At dawn the mutinous troops entered Berlin, without encountering the least opposition from the national guard or the security troops.

Even after the *Putsch*, Noske expressed in "Vorwaerts" the astonishing opinion that the whole insurrection could have been stamped out with a few dozen machine guns. But the essential point was that Noske vainly ordered the troop commanders, Generals Owen, Oldershausen, Seeckt, and Admiral Von Trotha, to throw their men against the on-marching "Baltic brigade." The same

troops who in their attempted attack on the capital of Finland had easily been beaten off by the troops of Riga, were able to proclaim the Dictatorship of the Sword and a new government in the Capital of the German Empire, although there were tens of thousands of Government troops. All these troops and their leaders either fraternized openly with the rebels or observed a benevolent neutrality. If the Government and the Republic had relied upon the protection of their troops they would have been hopelessly lost, and Kapp, Ehrhardt, and Luttwitz would have been masters of the situation to-day.

The thoughts of the citizens' guard were far removed from a defence of democracy and the legal government. The national executive of the citizens' guard issued on March 13th a summons "to the citizens of Germany" which read: The new Government of Labour (meaning the Government of Kapp and Luttwitz) has, after the flight of the Imperial Government, taken control for the time being of the destiny of Germany, has called upon all parties to co-operate, and pledges itself to hold new elections within the shortest time. Pending the decision of the people, the whole of the citizens' guard will arm for the protection of peace and order, and the defence of hearth and home against disorderly elements and criminals. The occasion demands that every German, whichever his party may be, loyally exerts all endeavours to prevent civil war." This was a recognition of the rebel government, and a summons to put down any counter-movement which might arise for the

protection of democracy and the legitimate Government. We shall show that the appeal of this counter-revolutionary organization was answered in the most brutal manner.

In Berlin itself the "national" bourgeoisie placed itself enthusiastically at the service of Luttwitz and Kapp. The university professors, headed by the rector, offered cordial ovations to the reactionary usurpers of power, and the majority of the students hastened to the banner of the rebels. The reactionary parties and their organs were circumspect enough to maintain a certain reserve, but made no secret of their sympathies with the Kapp rebels. In an evening edition of March 16th the "Deutsche Tageszeitung" declared that the Kapp "Government" had not committed any high treason, but had restored the spirit and essence of the Constitution which had been shamefully mishandled by the legitimate Government. In the "Kreuz Zeitung" Count Westarp described the Kapp rebels as "determined men, glowing with warm patriotism." The "National Liberal Correspondenz" published on March 13th a manifesto of the group and of the business executive of the party, in which the new "Government" was recognized. Their caution was awakened only later, as the prospects of the rebellion commenced to decline. The Right Socialist, Ernst Heilmann, made quite definite statements in "Vorwaerts" of May 25th regarding assertions made to him on March 13th, the day of the *Putsch*, by the President of the German National Party, the Minister, D. Hergt. According to this, Hergt decidedly refused

to summon Kapp and Luttwitz to retire. Officially his party had nothing to do with the proceedings. He held the threatened general strike to be devoid of all prospect of success, because he knew from his experience as Government President at Oppeln how quickly one could break down a labour strike by refusing the means of life. "You must understand our position. Kapp and Luttwitz have the power, and will keep it for the time being. We cannot, therefore, behave in a purely negative sense, and must work together on the basis of the facts which now exist."

Now Luttwitz, Bauer, Ludendorff, Kapp, Fraub, and their colleagues counted not only on receiving reactionary support, but also on utilizing for themselves certain revolutionary tendencies among the Proletariat. Under the intellectual influence of Russian Bolshevism a communist group had arisen in Germany, which preached a revolutionary war of defence against the Entente. It was led by a former Independent, Dr. Lauffenberg, of Hamburg. Between the officers of the Luttwitz circles and some of the supporters of "National-Bolshevist" ideas an understanding had been arrived at for some months, which suffered no interruption on account of the *Putsch*. In the negotiations which were going on during the days of the *Putsch* between the Kappists and the "National-Bolsheviks" a wonderful part was played by the confused and Utopian idea of a military-proletarian dictatorship. It may be left an open question how much in this there was of political simplicity and cunning intrigue. Happily the whole working class, including the

extreme Left, had the sound political instinct to steer clear of any "National-Bolshevist" confusion, so that the general strike to crush the rebellion was carried out with imposing unanimity.

That the counter-revolutionary effort, in spite of its initial success, miscarried was chiefly owing to its precipitancy. The insurrection occurred at the most inopportune moment. It took the form of a military stroke of the ultra-reactionaries, a rebellion against a Coalition Government, in which the strongest bourgeois parties turned the scale, a stupid blow of desperado politicians, who hurled back Germany, which was again beginning to work, into the most wretched economic confusion and political chaos. This was felt to be the case by wide bourgeois circles, and as, correctly interpreting public opinion, even the Right parties and their leading men did not venture to give open support to their enterprise, the rebels had already half failed when, with the aid of machine guns, they still dominated the capital. The unanimous strike of the Proletariat, the employees, and the officials did the rest. This strike was the 'natural and spontaneously adopted resource of the working class. Moreover, they were called upon to strike by the Ministers, who had fled to Dresden, and the Executive Committee of the Social Democratic Party. "Everything is at stake;" this appeal read, "consequently, the strongest measures of defence are incumbent on you. No business must be run as long as Ludendorff's military dictatorship prevails. Therefore cease work. Strike! Cut off the resources of this reactionary clique. Fight

with all means for the maintenance of the Republic. Let there be a general strike all along the line. Proletarians, unite! Down with the Counter-Revolution."

The rebels were powerless in face of the overwhelming force of the general strike. By proclamations they threatened strike leaders and strike pickets with martial law, but the workers laughed at threats which were backed merely by the will and not the power to enforce them; for the great majority of the people sympathized with the strikers, who were opposing the detested usurpers and fighting for the old legitimate Government, for the Constitution, and for the restoration of order.

And as the majority of the people throughout the country adopted the same attitude the insurrection was everywhere equally unsuccessful. The rebels were compelled to withdraw, and the old Government resumed its functions.

This double revolution was not completed without bloody encounters in many parts of Germany. Quietest in comparison were the events in Berlin, where the special direction of the defensive action was transferred to the Trade Union League, at the head of which was Legien. This organization, which comprised 12,000,000 of workers, employees, and officials, was the appointed leader of the general strike, and its leading rôle came all the more easily to it and its president, Legien, as the political organization of the Proletariat exhibited the weaknesses and disruption with which we are familiar. The Trade Union League, as an organization comprising all proletarian elements, guaranteed

that the strike would have the maximum degree of effectiveness, but it was no substitute for the lack of political unity among the Proletariat.

The Trade Union League was strong enough to compel the Kapp Government to beat a retreat, but it completely failed to exploit this success. It did indeed put forward, as the terms on which the general strike would be called off, a series of political conditions, which referred especially to the punishment of the rebels, the immediate democratization of the army, and the creation of a workers' guard. In the end it was unable to compel the realization of the least of them. A loose coalition of trade unions, whose members and leaders belonged to the most diverse political camps, could never have acted with unity for political ends. Action of this kind ought to have been the business of the socialist parties. Only Socialism as a firmly knit whole could have transformed the collapse of the rebels into a socialist victory.

In addition to conducting the defensive struggle on a common plan, it was also necessary to take the offensive against the militarist reaction. But even during the insurrection a clear conception of the political task was lacking, both among the Right Socialists and among the Independents.

The leaders should have entered into a close and permanent alliance with each other, and all operations should henceforth have been directed by a common general staff. But, for fear of the competition of the Communists, the Independents pursued a disruptive policy. They rejected the conciliatory advances of the Right Socialists, as well

as the mediation which was offered by foreign socialists who were in Berlin at that time. Naturally there were plenty of pretexts for such short-sighted behaviour.

Among the Right Socialists were people who wished to retain Noske ; but such a drawback as this could have been most easily overcome by common action. It was also said, Why not get rid of this discredited Government, both individually and collectively ?—as if such a step could have altered matters in the least. The Government was certainly in need of new men and better men ; but before a fresh and more suitable government could come into existence, it was necessary for the united Socialists to reach an understanding as to the basis of the new Government. But the Independents raged against the sluggish Right Socialists, without making the slightest effort to arrive at an accommodation with the more reasonable members of the majority.

The inevitable result was that the Right Socialists and the Government in Stuttgart, to which town it had migrated from Dresden and summoned the National Assembly, succumbed entirely to bourgeois influences. Any government which desired to be something more than a shadow and a scarecrow ought to have regarded it as its first task, after the failure of this insurrection, to create its own basis of power. Its first duty ought to have been to arm 20,000 reliable workers in Berlin, and organize them into well-disciplined battalions. Its first decree should have been to facilitate the entrance of workers into the citizens' guard and the security

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corps. The national army too ought to have been leavened with armed workers. The Government would then have had force at its disposal, and could, in case of need, have shown its teeth to the reaction. It would have been able to convince the working masses that it had realized its mistakes and was resolved henceforth to deal sternly with other promoters of disorder than those belonging to the Left.

By pursuing this course the Government would have gained the confidence of the masses and the respect of the reaction.

But what did the Government do when it returned to Berlin ?

It did not take the slightest step to break the power of the reaction and to safeguard the democracy against fresh attacks. Not a single labour battalion was formed ; instead the Chancellor, Bauer, invested General Von Seeckt with full powers to set up a militarist reign of terror. Once more martial law reigned throughout the country, as under Noske. In Kopenik—to mention one of many incidents which occurred in the environs of Berlin—the Independent, Futran, and three companions were court martialled and shot. He was well known as a moderate politician, guiltless of the slightest misdemeanour. On March 19th the Government decree was published which conferred upon the new war minister, Von Seeckt, full power to set up extraordinary courts martial and to proclaim martial law. Von Seeckt was one of the generals who had shrugged their shoulders and left Noske in the lurch on the night of March 13th, when he

implored them for military support against the rebels. And the workers, in the districts where having command of weapons they had armed themselves and risen in defence of democracy and to disarm the rebels, now became the prey of the reactionary citizens' guard, the volunteer corps, and those bodies of troops which had tolerated the rebels with unmistakable benevolence. The workers on strike, or those who had risen for armed resistance, suddenly became "Spartacists" and "Communists," who aimed at a Bolshevist Dictatorship, and consequently had to be suppressed with the utmost ruthlessness. What had taken place in Adlershof and Kopenik, where Futran and three others fell victims to the counter-revolutionary fury, was now repeated on a large scale elsewhere. An incident in Thuringia may be mentioned as an example. On March 24th Bad Thal, in Thuringia, was occupied by volunteer students from Marburg, and the mayor of the district was summoned to indicate the residences of fifteen citizens, who were thereupon arrested and removed. On the following morning the corpses of the prisoners, in a fearfully mutilated condition, were found at a street corner. The unarmed men were handled with appalling callousness by the nationalist student corps, amid cries of "Shoot them!" "We want some corpses for our anatomy!" and finally were pitilessly murdered.

In the Ruhr districts matters reached the climax of terrible tragedy. Since the outbreak of the insurrection the workers there, without distinction of party, Communists, Independents, Right

Socialists, Democrats, and workers belonging to the Centre Party had risen and defeated the corps led by Lutzow, Lichtschlag, etc.

According to documents which fell into the hands of the workers, the Lutzow Corps, stationed in Remscheid, was to have appeared before Berlin on March 15th. The proletarian success in the Ruhr district in more than one respect foiled the plans of Kapp and Luttwitz, and bore an essential part in quelling the insurrection. The Government was therefore deeply indebted to the workers of the Ruhr district. It had every cause to show a little patience until conditions in the Ruhr had quietened down again; for it was clear that the "Red Army," collected under the urgent pressure of events, could not be completely disbanded in the twinkling of an eye, especially as General Watter, who was strongly suspected of collusion with Ehrardt and Luttwitz, was stationed on the frontier, with hourly reinforcements of troops, threatening and ready to strike, and, in spite of all protests, accredited by the Government as its military authority. It is really not surprising that, under such circumstances, and in view of the weak attitude of the Government towards the militarist rebels, who, after their retreat, remained unmolested in full military preparedness, and could enter into the most comradely relations with the commanders of the Government troops, the revolutionary members of the workers' army feared treason and revenge, and consequently fell under the influence of Communist desperadoes and militarists.

The Government did, in fact, send a minister to

the Ruhr district, in order to effect the restoration of normal conditions, by arrangement, but it was not able to prevent the military preparations from assuming an increasingly threatening form. The provocation of Watter destroyed the effect of the honest endeavours of the Government representative and the good will of the reasonable section of the workers. Thus militarist and communistic rebels worked hand in hand until the national army had restored order, quite in the old style, by wholesale shootings. Many thousands of workers fled before this white terror, in which numerous Kapp officers took part, into the occupied areas. Upon being assured by the Government that they had no cause to fear reprisals they returned, only to fall victims, with those who remained at home, to the extraordinary courts martial, which pronounced hundreds of sentences of death. On May 18th "Vorwaerts" was obliged to raise the cry, "Away with the extraordinary courts martial." Among the population of the districts of Dusseldorf, Münster, and Ansberg, tremendous excitement prevailed in consequence of the wholesale sentences pronounced by the courts martial. "The President ought not to allow the scandal of this extraordinary court martial to last for another day." But the President, Ebert, turned deaf ears to this appeal, and the new Government, which came into power at the end of March, possessed neither the insight nor the strength to grapple with Militarism.

The change of government was nothing more than a shuffling of individuals. The Foreign Minister, Müller, was advanced to the position of

chancellor, while the former Chancellor, Bauer, was transferred to the Ministry of Communications—both being personalities without foresight, without initiative, without energy. While the Empire made shift with a weak stopgap ministry, and looked for salvation to the Reichstag elections, now fixed for June 6th, in Bavaria the March insurrection led to the complete consolidation of the reaction into a purely bourgeois government, and to a general all-bourgeois electoral coalition against the suspect Social Democracy. The erstwhile Soviet Dictatorship had found its logical term in the dictatorship of the reaction.

As the first serious military revolt had not been sufficient to bring about a united socialist front, which alone could offer a strong protection against the intrigues of the counter-revolution, the Empire was threatened worse than ever by the reactionary danger.

ROCKS AHEAD

On May 25th "Vorwaerts" published an alarmist article: "New Right Revolt Preparing." The volunteer corps, it was reported, had entered into closer unity, and were organizing with all their energy and inexhaustible resources for a new military insurrection. Instead of measures to disband the volunteer corps, in accordance with the Peace Treaty, and the decrees of the Government, feverish recruiting activity went on. The new recruits received a daily wage of nineteen marks, as these activities were financed by large

donations from the agrarian and great industrial associations. The plan of campaign of the conspirators was to provoke Bolshevik risings, which would give Militarism the opportunity to figure as the saviour of the country and to seize power for itself. For days after this revelation "Vorwaerts" and other papers were filled with fresh warnings and exposures. The attested facts were such to leave no doubt that the position was very serious. Militarism was equipping itself for a fresh outbreak. Thanks to the Noske policy and the omissions of Noske's successor, its resources were greater than ever, and a new demonstration of its determination to make the most reckless use of these resources was furnished by the murder of the pacifist Hans Paasche. This man was doubly hated by the military caste, because the latter regarded him as a turncoat on account of his having been a naval officer. Paasche was, as usual, shot "in flight," although he had neither been arrested nor was liable to arrest. It was supposed that black lists of hundreds of known socialists and pacifists had been in existence for a long time, and a full settlement would be made with these at the time of the rising. A clean sweep would be made this time, and strike agitators would be simply stood against the wall. If, in spite of this, the capital made any difficulties, it would be surrounded and starved out.

Large sections of the German people looked upon a new revolt of the Right as something inevitable and inescapable, although the Independents and the Communists urgently warned their

adherents against the provocative tactics of spies masquerading as Communists. The only difference of opinion was whether the rising was to be expected before the elections or after the elections. The reaction had everything to gain by awaiting political developments. The more the Centre Party, the Democrats, and Right Socialists are weakened the greater will become the attraction between the Right and the Centre Parties, and therefore, the stronger and more comprehensive will be the coalition, which will eventually confront Socialism. In short, if the bourgeoisie possesses the most modest measure of political and social insight it will realize that nothing could be more foolish or hopeless than to destroy the effects of the Revolution by brute force.

Even if the restoration of bourgeois class domination were possible it would be entirely precluded upon economic grounds, and for reasons of mass psychology. "The world," wrote the late Dr. Rathenau, "has wantonly destroyed its goods: means of production, commodities, labour power, men." No progress had been made towards the renewal of these things in the last year and a half, as the disrupted Proletariat, at feud with itself, was without the strength for socialist reconstruction. Even in the Republic capitalism and profiteering could continue their work of destruction; the old and the new rich, war and revolution profiteers, industrialists and illicit traders, collected enormous wealth. "The number of new private fortunes in an ascending scale from ten to several hundred millions which evade any war taxation, through

being locked-up in home and foreign undertakings, is estimated to be thousands." ¹

The heavy metals industry, which absorbed colossal gains during the war and the revolution, received a handsome benefit from the Entente peace. On May 15th Dr. Felix Pinner related some interesting things about this in the commercial pages of the "Berliner Tageblatt." Almost all the larger concerns of the German heavy metal industry, situated in Lorraine, Luxembourg, and in the Saar, which, according to the Peace Treaty, are partly voluntarily and partly forcibly being ceded to foreign capital, are being purchased with foreign money. The purchase price is paid in foreign money, mostly French currency, and these millions of francs, which represent enormous sums reckoned in marks, assure to the fortunate persons who have been bought out a tremendous economic power. The brothers Stumm were able to bring under their hegemony a great part of the Rhenish-Westphalian iron and steel industry for the equivalent value of 60,000,000 francs. The Mannesmann Pipe Works netted 50,000,000, the Rombacher Smelting Works 110,000,000 francs, and were thereby enabled to increase their economic power indefinitely. Even without such windfalls the coal barons and the iron magnates made profits running into milliards. The famous system of joint control gave them the opportunity to force up the prices of coal and iron to fantastic levels, and this scandalous exploitation of the German people swelled their profits by milliards. However

¹ Walter Rathenau in "Der Spiegel."

much the seventeen-fold increase in the coal prices and the thirty-fold increase in iron and steel prices hampered the manufacture of building material, however severely it reacted on agriculture, paralysing the whole of industry and reducing farmers, tenants, and consumers to despair, unparalleled profits were the lot of the heavy metals industry. The coalowners who had formerly been contented with a net profit of ten per cent. succeeded in bringing it up to twenty-four per cent., which expressed itself in an enormous rise in coal prices. With these millions Herr Stinnes, for example, bought not only sausage factories, shipyards, hotels, machine and motor works, but also paper mills, printing presses, and newspapers. The millions shamelessly extorted from the people were being used to transform the volunteers, the security corps, and the citizens' guard into a Pinkerton's police for big capital.

The standard-bearers of the new plutocracy had stepped into the places of the old ruling caste. "They and their successors will be the rulers of Germany for a generation, unless a fresh upheaval takes place."

Meanwhile an upheaval threatened from the Right, which aimed at draining the strength of the Proletariat by a fearful blood-letting and by twisting the Democracy into a perfectly docile tool of the Plutocracy and its conservative-militarist satellites. But even if this attempt succeeded, the effects of the Revolution could not be entirely effaced. Quite the reverse. A massacre among the present leaders of the Proletariat would be the

very means to summon forces from the depths, with which the new rulers, in spite of the reactionary army, in spite of the volunteers and citizens' guards, would not be able to cope; for capitalist economy in Germany is rotten to the core, and lends itself as little to improvement by the open dictatorship of capital as by the veiled dictatorship of the coalition government. The victim of its imperialist rivalries, the capitalist world has destroyed all goods: means of production, commodities, labour power, men. In the same proportion as the industrial freebooters and profiteers have enriched themselves the masses have been impoverished. What is 1,000 marks monthly income for qualified workers when the bare necessities of a family of four cannot be met by less than 20,000 marks per annum? This inexorable fact, that the majority of the German people—workers, employers, officials, pensioners, and consequently many members of the middle class—lack the necessities of life, cannot be set aside by any military revolt. Even a prompt appreciation of the exchange, even an adjustment with world prices, promises no relief. These changes would only diminish export and other profits.

CHAPTER IX

TWO YEARS LATER

FRESH SOCIALIST DISAGREEMENTS

THE results of the elections faithfully reflected the disastrous policy of the two socialist sections. The feeble attitude of the Right Socialists, their complete failure in the matter of socialization, their incredible concessions to Militarism, drove the choicest spirits among the industrial Proletariat into the ranks of the Independent Social Democracy. But the gains were at the expense of the majority, for the socialist vote, including the Communists, amounted only to 41.9 per cent. of the total votes cast, as compared with 45.5 per cent. in January, 1919. How easily Socialism might have won to its side the majority of the people, if its Right wing had displayed more proletarian energy and less revolutionary timidity, and its Left wing less confusion and fanaticism and more sense of social realities and political integrity !

With 4,894,317 votes the Independent Social Democracy was only a little way behind the Social Democratic Party, which had received 5,614,452 votes. Within the period of one year it had more than doubled its voting strength. Unfortunately, its political insight had not increased in the same

measure. Instead of accepting an invitation which opened up the possibility of making Socialism the decisive factor in the Government coalition, the Central Committee of the Independents answered with a lofty refusal : they could not enter a government which had adopted as its purpose the re-establishment of the capitalistic order. The Independent Social Democratic Party could consider nothing short of a socialist government, of which it would form the majority and exercise the determining influence. Thus, instead of first attempting to form a preponderating socialist government, and to assert itself by means of a wise and energetic policy within such a government, which could henceforth rest on proletarian support of quite a different character than that of the first ill-starred coalition of November, 1918, the Independent Party turned its back on the opportunity for constructive activity and persisted in a sterile policy of opposition.

How mistaken these tactics were has, in the meantime, begun to be realized within the Independent Social Democratic Party. One of the first to perceive this was Prager, the editor of "Freiheit," who wrote : " On looking back, we may say that the policy of the Central Executive has not been a happy one. It ought to have laid down definite demands, by which it would stand." No doubt a great deal would have depended on the nature of these demands. The task was first of all to establish the basis for socialist co-operation and for a governmental coalition, with a bias decidedly towards the Left. At this juncture the German

working class would have been better served by tireless and energetic labour to realize the items in a modest programme than by the promulgation of a high-sounding Government programme.

In these circumstances the cold rejection of the overtures from the Right Socialists, which sprang from the foolish idea that in practical politics the Social Democratic Party could be wholly ignored, was, in effect, to commit treason to proletarian interests.

Never, however, has a party experienced a more rapid rise and a swifter collapse than Independent Social Democracy.

When, in June, 1920, it refused co-operation with the Social Democratic Party with such a gesture of disdain, it already contained the seeds of its dissolution. The antagonisms within the Independent Social Democratic Party had been very incompletely bridged over by the highly ambiguous programme which was the fruit of the marriage between Democracy and Soviet Dictatorship, consummated at the Leipzig Conference. Inside the organizations and the Press of the party, the fierce struggles for power between the Moscow section and the parliamentary democratic wing had scarcely suffered any interruption, even during the Kapp revolt and the electoral campaign. And Moscow itself, in its hatred of the group which would not surrender unconditionally, incessantly fanned the quarrel. The extreme section of the Independent Social Democratic Party urged the promptest affiliation to the Communist International, but the executive of this International had, on February 5, 1920, demanded as a condition of

this affiliation, the ejection of Hilferding from the "Freiheit" and the expulsion of all "Kautskians" from the Independent leadership. In April a fresh communication was received from Moscow, which reproached the German Independent Party with having distorted the pronouncements of the Moscow Executive. This new attack was passed over in silence by the executive committee of the party, and at the end of June, Crispian, Dittmann, Däumig, and Stocker, as delegates of the Party, proceeded to Moscow to discuss the question of affiliation to the Third International.

The German delegation brought back on their return "a whole bundle of conditions, resolutions, and theses"—above all, the twenty-one conditions for admission into the Communist International, which had been formulated in the flush of the initial successes of the Soviet armies against Poland. "The dictatorship of a selected caste of leaders must also be carried out in Germany. Those who do not blindly and unconditionally recognize the Moscow tidings of salvation will be denounced as reformist heretics and centrists, and condemned to excommunication from the Communist Church. Armed civil war was the only form which the Revolution could take, and to carry this on an illegal organization must be created by the side of the legal organization. A number of the most prominent leaders of the International Labour Movement, like Turati in Italy, Kautsky and Hilferding in Germany, Longuet in France, Hillquit in America, would have to be excluded. All parties would have to pledge themselves to break up the trade unions,

and to fight the Amsterdam Trade Union International." ¹

Däumig and Stocker, while in Moscow, had been won over to the acceptance of these conditions, and advocated them vigorously on their return to Germany. Crispian and Dittmann, who had been disillusioned by the political and economic results of the Moscow methods, which they had personally observed, as stoutly opposed them. For months the party was torn by bitter dissensions, until in October matters were brought to a head at the extraordinary conference at Halle.

Under the influence of an inflammatory speech lasting five hours, by Sinoviev, the acceptance of the Moscow conditions was decided by 236 votes to 156. On this occasion the minority, whose leaders, moreover, were threatened with expulsion from the party, could not acquiesce in the majority decision; after a protest from Crispian they left the conference, and adjourned to another hall, where they constituted themselves as a separate party. This Right wing retained the name of the Independent Social Democratic Party of Germany, while the left wing, after uniting with the Communist Party, called itself the United Communist Party of Germany. Nevertheless German Communism did not preserve an unbroken front, as in February, 1920, a number of local organizations were expelled.

The Independent split had disastrous consequences for both sections. At the Leipzig Conference in December, 1919, Dittmann was able to point with pride to the fact that within nine months the

¹ Prager.

membership of the Independent Party had increased from 300,000 to more than 750,000. At Halle, in spite of the schism which was rending the party, 800,000 party members were represented, and these numbers were pretty evenly divided between the two new parties. With the cleavage in the party, and the continual struggle of the two sections, the recruiting power of the Socialist Left, which shortly before was so considerable, completely disappeared. The revolutionary workers, who for some time had been flocking to the Independents, were disgusted and repelled by the grotesque quarrels, and lapsed into political indifference, apart from those who returned to their old allegiance, the Social Democratic Party. This consequence of the disruption of the Independent Social Democracy, which had been instigated from Moscow, received a striking confirmation at the Saxony Diet elections of November, 1920. Six months before the Independents and Communists had polled in Saxony 609,484 and 105,222 votes respectively for the Reichstag elections. At the Landtag elections these two parties combined polled only 464,126 votes. On the other hand, the Social Democratic Party almost reached the number of votes it polled on June 6th. The results of the elections to the Prussian Diet on February 20, 1921, turned out even more disastrously for the Independents and the United Communists. If we add to the total Reichstag votes in Prussia on June 6th, the votes cast in the provinces of East Prussia and Schleswig-Holstein for the Reichstag, which took place at the same time as the Diet elections of February 21, 1921, because these two provinces were not

able to vote in June, 1920, we are able to make the following comparison :

	Reichstag Elections of June 6, 1920.	Landtag Elections of February 20, 1921.
Social Democrats	3,740,003	4,294,065
Independents	3,004,074	1,075,343
Communists	296,000	1,211,741

Whereas the number of Right Socialist votes had increased from 3,740,003 to 4,294,065, the combined votes of the Independents and Communists had shrunk from 3,300,114 to 2,287,084.

The growth in the Right Socialist vote was not sufficient to make up for the losses of the Left Socialists. The Socialists lost 458,928 votes in Prussia alone. On the other hand, the bourgeois parties were able to register a considerable increase of votes. On June 6, 1920, they polled 57 per cent of all votes cast, and on February 20, 1921, their proportion of votes had grown to 60 per cent.

Moscow was in no wise satisfied with the débâcle which it had prepared for German Left Socialism, and indirectly for German Socialism generally. On the contrary, precisely because the elections had just demonstrated that the enormous majority of the people would have nothing to do with Communism, the Communist wirepullers embarked upon the most foolish and frivolous adventures. In February, 1921, out of 16.3 millions of Prussian votes, only 1.2 million votes, or 7.4 per cent, were cast for the Communists—*ergo*, it was necessary to provoke a Communist rising in March, and to

challenge a trial of strength, which was ludicrously hopeless from the start.

According to the account of the Chief of Police of the Province of Saxony (Horsing), a member of the Social Democratic Party, an intolerable state of affairs, bordering on anarchy, had developed in the industrial district of Central Germany, especially in Mersberg. In an appeal which Horsing, on March 16, 1921, addressed to the population, "wild strikes, robbery, and plundering" were said to be the order of the day. Agriculture and industry were suffering enormous damage from the activities of bands of robbers and single thieves. The doorkeepers and officials who tried to prevent these thefts were exposed to personal assaults. Flimsy pretexts were utilized to goad thousands of workers to strike, against the will of the trade unions. Workers who made any resistance or who urged counsels of reason were terrorized with cudgels and rifles. The legal works councils were insulted, dissolved, and replaced by so-called councils of action. Workers belonging to the Left as well as people who were on the Right asserted that these activities were the work of the Communist Party. Horsing did not think the Communist Party, as such, bore the responsibility, but international criminals, perhaps even agents, masquerading as Communists. In any case, he was determined to put an end to these conditions. Consequently, he would despatch strong contingents of police to the most important parts of the industrial area. The police would not intervene either in political or in trade union matters, but would deal sternly with all criminals and *pro-*

vocateurs. However one-sided and exaggerated this account of the Social Democratic chief of police might have been, it was the height of folly, in view of the whole situation and the unequal distribution of forces, to meet the occupation of the industrial areas by the police with armed opposition and the resort to desperate expedients. Yet this was what the Communist leaders did.

Not only did they proclaim a general strike, in the teeth of the warnings of the Social Democratic Party, the trade unions, and even the leaders of the Independents, but also through the medium of the "Rote Fahne"! They plainly exhorted the workers to fight the counter-revolution with weapons in their hands.

It transpired later that Bela Khun himself, as an envoy from Moscow, was the secret organizer of this criminal campaign. The notorious Max Holz figured as its military leader. This man was a muddle-headed adventurer, with a pathological disposition towards violence which had developed partly under the influence of the war, and partly under the influence of the Bolshevist doctrines of force. Under the direction of Bela Khun and Max Holz matters soon reached the stage of bloody encounters with the police, in addition to more or less compulsory strikes in Mansfeld, Eisleben, Hettstedt, and Halle. As the commander-in-chief, Holz, had at his disposal only a few hundred rifles and a half dozen machine guns at the most, the insurrection was from the start a ludicrous tragedy, and would have ended in the twinkling of an eye if Horsing and Severing, the Prussian Social

Democratic Minister of the Interior, had not been careful to avoid calling in the aid of the military, and to restore order by means of a comparatively small contingent of police.

Even so, the Communist revolt collapsed miserably after the period of a few days, as all efforts to arouse the proletarian masses, through attempts to blow up public buildings, proved to be futile. Endeavours to provoke a general strike and revolts in Hamburg and in the Ruhr district were also unsuccessful. A few misled proletarians paid with their blood for the folly of the Communist *provocateurs*.

When matters had taken the course which was to be expected, the Central Committee of the United Communist Party issued an inflammatory appeal, which began with the words: "The beasts of order are triumphant. The rebellion is crushed. Hundreds of workers lie murdered on the field of battle. Thousands have been thrown on the streets by the employer. Martial law and shooting in flight, the mishandling of prisoners, and the white terror are raging through the country." Instead of admitting their own guilt in instigating this hopeless rebellion, the central committee were audacious enough to make the monstrous assertion that the moment chosen for the struggle was a favourable one, and that the communistic enterprise was only foiled because of the treachery of the cowardly socialist leaders.

Especially characteristic was another part of the manifesto: "The *provocateurs* are assisting in the completion of the work. By means of criminal

attempts, feeling against the Communists is to be aroused, and the workers are to be divided against each other." It was later ascertained, through the confiscation of the papers belonging to Communist district organizers, that these criminal attempts were instigated by the chief leaders of the Communist revolt. Dr. Paul Levi, the former chief of the Communist Party, accused the responsible Communist leaders of complicity in the attempts at provocation which had preceded the ill-fated movement. Levi was promptly expelled from the party, but not without receiving the support of a number of other Communist leaders.

Generally speaking, just as the Halle Conference, and the split in the Independent Social Democratic Party which there came to a head, signalized the rapid disintegration of German Left Socialism, so with the March rebellion, and the party crisis which it caused, there set in such a decomposition of the United Communist Party of Germany that after a few months there remained of this party only a handful of insignificant disrupters.

The expulsion of Levi and his friends was followed by other secessions. Ernst Friesland, who had played a leading part as the general secretary of the executive committee, was ejected from the party when he demanded the retirement of the persons implicated in the provocative manoeuvres during the revolt. He confessed that he, like other uninitiated members of the executive, had regarded Levi's charges as "cowardly and lying inventions" until this view had been completely shattered by the subsequent revelations.

Thus the tactics of Moscow and of its tool, Bela Khun, transformed the United Communist Party of Germany into a heap of ruins immediately after its foundation. In the Reichstag it had eleven representatives, as the majority of the Communist deputies had joined the Communist Working Union, which was a parliamentary group without any organized support among the population. At the present time there are at the most 150,000 politically organized Communists in Germany, while the Independents number 300,000. As Independents and Communists together mustered 900,000 party members at the end of 1920, their organizations have shrunk to one-half of their former size.

TWO YEARS OF COMPROMISE

The self-destroying efforts of the Socialist Left brought ease to the Social Democratic Party.

The danger of being overwhelmed by the revolutionary section, which was so threatening in the middle of 1920, disappeared when the mine laid by Moscow began to explode beneath the mass party of the Left—the Independent Social Democratic Party. The fanatical internecine strife of the Left Socialists left them no time for reasoned criticism of the Right Socialists, or any fruitful social criticism generally.

Instead, they offered many loopholes to their opponents. Thus, less on account of their merits than as a consequence of the extraordinary incapacity of their Left Socialist competitors,

the Social Democratic Party was able to regain the ground which it had lost to the Independents since the end of 1920. It had only polled 5.6 millions of votes on June 6, 1920, as compared with 11.1 millions in January, 1919, whereas the Independents had increased their voting strength by 2.7 millions; but at the succeeding elections in Saxony, Prussia, etc., at the end of 1920 and beginning of 1921, the Social Democratic Party was able to register a considerable increase in votes. While at the end of 1921 the Independents numbered only 300,000 members, the Social Democratic Party at that time possessed 9,734 branches and 1,221,059 members.

Thus the Social Democratic Party continued to represent a powerful force. Consistently with their whole attitude since November 9th, they did not seek to exert this political and social power in the service of a decisively socialist policy, but utilized it in a policy of compromise with the bourgeois parties and the economic powers of capitalism, in order to promote a peaceful democratic evolution.

They were able to justify these tactics by pointing to the fact that in a period of transition from a capitalist to a socialist society, wherein none of the forces striving with each other was capable of exercising domination, mutual accommodation or compromise represented the only practicable method.

However little open to objection a temporary policy of compromise was, there were serious complaints about the practical shape given to it by the Social Democratic Party, for in reality the Social Democratic Party did not display the same energy

and skill in the carrying out of proletarian demands as the bourgeois parties exhibited in their assertion of capitalist interests. Whenever it came to a final decision around the negotiating table, the political experts of property were victorious, while the representatives of Social Democracy, in spite of all previous displays of authority, submitted to the conditions of the capitalist class.

The Social Democracy rejoices in the compensatory satisfaction that since March, 1920, the German Republic has been spared any serious counter-revolutionary disturbances.

The attempted revolt of Kapp, Luttwitz, and company has up till now not been repeated, however threatening, especially in Bavaria, has been the aspect sometimes assumed by the counter-revolution. In the summer of 1921 the reactionary agitation again reached a height which caused the gravest outbreaks to be feared. The murder of the Independent Diet Deputy, Gareis, demonstrated again the activities of a nationalist murder camarilla, which aimed at establishing a "Fascistist" domination in Germany. A few weeks later the most popular leader of the Centre Party, Matthias Erzberger, fell a victim to the murderous bullet of a nationalist assassin. It is probably due to the impression made by an enormous protest meeting of the united Berlin workers on August 31st, the greatest political demonstration which the capital had ever seen, that further acts of terrorism and a systematic attempt at rebellion have not taken place.

Characteristically, the murderers of Erzberger, like

those of Gareis, were not apprehended. According to a careful examination, out of 318 political murders committed by the Right during the Revolution, only one was punished with 31 years and 3 months imprisonment and lifelong detention in a fortress, whereas during the same time 16 political murders committed by the Left were punished with 8 death sentences, 239 years of imprisonment, and one sentence of lifelong servitude. No wonder that, in view of such uneven justice and the very slight risk incurred for reactionary deeds of murder, the safety of individual republicans is as little guaranteed as the security of the Republic itself. There continue to exist, under misleading names and in the most deceptive forms, "organizations of self-defence" which can be transformed into instruments of attack against the Republic and the democracy at any favourable opportunity. These secret leagues have concealed weapons of all kinds, and betrayal of their secrets is punished by death. Hermann Müller, a member of the Social Democratic Party Executive, stated in his opening speech to the Gorlitz Conference: "It is through no accident that the Erzberger murderers have been tracked to the nationalist circles of the Ehrhardt brigade, and it is quite certain that the murderers of Gareis are there too; for in the ranks of these adventurers are many who have joined these bands only out of lust to kill. To protect its own existence the Republic must use all the resources of the State to render these bands harmless. . . . There is no doubt that forces are at work in Bavaria which point to a new military revolt. The coming

by gaining over the German People's Party, isolating the extreme Right. Under the skilful influence of these leaders the Gorlitz Conference of the Social Democratic Party adopted a resolution, which, by rescinding a resolution in a contrary sense of the previous conference, opened the way for a coalition with the German People's Party. It is true that, as an assumption for such co-operation, this resolution enumerated a series of conditions, such as "the democratization of the administration," the "remodelling of the national army on republican lines," the "loyal fulfilment of the Peace Treaty," and "the most drastic control of property," to which it was hardly likely that the party of annexation would defer; but these conditions were merely for show. When, a few weeks later, in Prussia, it really came to the "great coalition," to the formation of a joint cabinet, with the inclusion of the German People's Party, nothing more was said about a declaration by the German People's Party on the lines of the Gorlitz resolution. And if no special political incidents arise the German People's Party will be received into the Imperial Government, as well, within measurable time. The present Chancellor, Wirth, works untiringly for this broadening of the coalition, and the Social Democratic Party will not offer him any serious opposition.

Such co-operation with the strongest capitalist opponents, who are distinguished only by certain shades from the party of the extreme Right, the militarist, agrarian, and anti-semitic German National People's Party is justified by its Right

Socialist defenders on the following grounds : " The socialists are for the time being too weak to assume the burdens of government alone. They lack not only the majority of the votes and the parliamentary mandates, but also experience and political mastery of the refractory administrative apparatus. Any attempt at a socialist dictatorship would encounter the sabotage of at least the higher officials, the obstruction of all the bourgeois parties, the withholding of supplies by the rural population, and probably open counter-revolution, which would receive the support of at least a large part of the national army. The desperate expedient of a proletarian dictatorship would therefore, in the most favourable case, plunge Germany into fearful chaos. The only alternative which remains is a policy of coalition with bourgeois parties. The Centre Party and the Democrats exhibit growing reluctance to share the responsibility for the difficult task of government with the Social Democracy alone. They are demanding ever more insistently that the chief representatives of industrial capital, which is so important in Germany—the German People's Party—should participate in the Government. The Social Democratic Party will not be able to resist this pressure in the long run ; all the less so as the difficulties of external and internal politics have assumed such gigantic proportions that the co-operation of all available political and economic forces must be enlisted in order to master them. It must, of course, be understood that the German People's Party stands by the Republic and recognizes democratic institutions. Given this, we cannot withhold the right

to share in the Government. The danger may indeed arise that capitalist interests, which are also represented by the other bourgeois parties in the coalition, will thrive, and the interests of the Proletariat, which are championed by the Social Democracy, will be neglected. But, on the other hand, there is only one means for the legitimate mobilization of all proletarian forces, viz., the struggle of socialist parties, and the most intense activity of the trade unions and other economic organizations. If the working class and the sections of the people allied to it by similar economic interests are without the organized force, the brain power, and the resourcefulness, to make their demands felt under the favourable conditions of the most thoroughgoing democracy, to win the majority of the population for Socialism, and thereby secure an unassailable claim to form a socialist government, then their cause is perfectly hopeless."

These arguments sound plausible, but they are nevertheless fallacious. However necessary a socialist coalition with bourgeois parties may be, it loses all sense and value for the Proletariat as soon as the Socialist Ministers are confronted with a compact bourgeois majority which insists on having its own way. From coalition with a reactionary majority Socialism derives no advantage, but is only harmed, inasmuch as it is weighted with the responsibility for an inappropriate, unsocial, and anti-proletarian policy. Such a condition paralyses the proletarian forces instead of stimulating them. It robs the Socialist Party in the Government of its vigour and energy, alienates the masses from it

more and more, and drives the other socialist parties into the sharpest opposition. The struggle against the common opponent, the bourgeoisie, gives place to the mutual recriminations and bitter strife of the proletarian groups.

We have already criticized the attitude of the Social Democratic Party in the Kapp insurrection, on the ground that too much importance was given to co-operation and compromise with the bourgeois parties, and too little regard paid to proletarian independence and class consciousness. The tactics of the Social Democratic Party during the two years which have elapsed since then merit no more favourable judgment. According to their most cherished convictions the possession of a few ministerial posts signifies power, and the surrender of them absolute impotence; as if the Austrian Social Democracy had not proved two years ago that a strong, united, and active Social Democracy as an opposition party could exercise undoubted influence upon political destiny. The German Social Democracy has, it is true, incurred the temporary risk of leaving government to be carried on by the bourgeois parties, in the cases of the Fehrenbach Imperial Government and the Stegorwald Cabinet in Prussia.

If this period of abstention from the government was unaccompanied by a compensating growth of influence, the explanation is that the Social Democratic Party did not pursue a definite socialistic policy, and did not utilize the situation for an understanding with the Independents, but persisted in the old course of feeble and undignified com-

promise upon which it had entered as a Government party.

An opposition party which does not dare to offer energetic opposition and to take a decisive line of its own is an anomaly. If the Social Democracy wishes to become a real power there are only two ways to achieve this end: either it must assert its rights in the most energetic fashion within a coalition government, in which it has at least half the seats, or it must oppose with all its strength a bourgeois government, with the clear purpose of overthrowing this government and making way for another government having a different policy.

The Social Democracy has failed, both as a joint governmental party and in opposition. Its failure is rooted in the basic misconception that for the present socialists must be content to safeguard the Republic and extend democracy, while the economic transformation of society can be postponed to a later period. It is believed, however, that the pacification of the German People's Party will make the Republic and democracy secure, inasmuch as this action will break the threatening wave of reaction. To reconcile the Stinnes Party with the Republic would be possible, however, only if the interests of the possessing classes were treated with consideration, and unlimited scope and freedom of exploitation assured to the big industrial capitalists. Thus, the German democratic Republic, in spite of its proletarian and revolutionary origin, presents more and more the veritably grotesque spectacle of an unbridled money-bags domination, which, in

the red masquerade of socialistic ministerialism, feels more comfortable than ever before.

The fate of the socialization campaign is typical of the anxiety not to assail in any way the sovereign rights of Capital. Among the eight stipulations of the Trade Union League, which were put forward after the Kapp insurrection as the price for calling off the general strike, the socialization of the mines found a place. To redeem the promises made to the trade unions, the second Socialization Committee was appointed in April, 1920. After deliberating for many months the committee submitted two proposals to the Government, each supported by one-half of the members. Proposal Number 1, formulated by Professor Lederer, recommended the complete socialization of the mines, with the immediate withdrawal of the mineowners, who would be suitably compensated. The second proposal, sponsored by Rathenau, recommended the creation of a central syndicate for the whole of the coal mines, but did not propose to get rid of the owners at once, although their sovereign rights would be considerably curtailed; in particular, the fixing of prices and profits would be removed from their jurisdiction. On July 25th a highly representative conference of the miners' trade union assembled at Bochum, passed a resolution which urgently called on the Reichstag to take in hand the socialization of the mines without further delay, whereupon the Government solemnly repeated its socialization promises at the Reichstag meeting of August 5th. The Christian Miners' Union also adopted a resolution on August 22nd

which demanded "a further socialization of the mines, which would preclude the making of profits for private capital." But although, in addition, the Social Democratic Conference in Cassel adopted the Lederer proposal as its own, the whole socialization campaign fizzled out in the most lamentable manner. The two proposals of the committee were remitted to the Imperial Economic Council, and after a long delay were deposited in the waste paper basket, while the committee of the Imperial Economic Council drew up a project, which, instead of socialization, recommended capitalist trustification, whereby the workers were to be appeased by small holdings of shares. In the opinion of the late Otto Hué, the Right Socialist miners' leader, this proposal aimed at nothing less than "the most powerful capitalist trust, with an unexampled position of monopoly." And a thing like this was recommended to the people as "socialization." But as the Social Democratic Party did not lift a finger to give effect to their Cassel socialization resolution, and as the breaking up of the Independents and the foolish Communist rising destroyed all proletarian driving power, the whole scheme of socialization fell into oblivion.

That the indifference and supineness exhibited by the Social Democratic Party in the socialization question were not due to a momentary aberration, but arose naturally out of the conviction of the party leaders that for the time being the fundamental social problem was not to be tackled, is proved by the tendency of the new programme, which was adopted at the Gorlitz Conference. In

this programme the most burning and pressing question which German Socialism to-day has to settle—the problem of socialization—is treated in a few vague phrases, having all the air of unreality, and not the slightest attempt is made to indicate the nature and methods of practical socialization work. While demands of a democratic, technical-administrative, and educational character are precisely formulated the socialization demands are hazy and indefinite. This modesty would be inconceivable if it did not reflect the thoughts of most of the leaders, like Noske, for example, who declared that socialization must be postponed until the people had been converted to it. It remains an enigma how converts can be won to socialization otherwise than by the irresistible pressure of the socialistic proletariat, by the most emphatic socialization propaganda, and by such a successful practice of socialization as would allay all doubts.

The big capitalists have shown as much boldness and determination in the creation of a new economic structure as the Social Democratic Party has been passive and irresolute in its attitude towards economic problems. The tendency which long before the war manifested itself in the heavy-metals industry, to link up smelting works with coal pits, and coal pits with smelting works, and to launch these composite undertakings on more extensive and more efficient lines, led, after the war, to vertical trusts of the most colossal dimensions and astonishing intricacy.

With disconcerting rapidity these powerful concerns sprang into existence, combining the

production of raw material and the industries which worked it up. The uninterrupted rise in prices rendered possible at the same time the sinking of real wages, the exploitation of the masses at home, and the forcing of export trade, so that the composite undertakings, like giant polypi, could suck in the ever-fresh milliards of paper money which were printed, and embrace ever-new branches of production.

By this means net costs are decreased and profits are augmented, while the exactions of the tax-gatherer can be evaded, inasmuch as the profits are continually invested in new undertakings. Two gigantic structures above all attract public attention—the General Electricity Company, with Rathenau as the directing head, and the Stinnes concern. The enormous business ramifications and capital concentration of the Stinnes concern especially fill the public with astonished awe at the business genius of its inspirer. The successful captain of industry has proved a new object of hero-worship, not merely for the worthy tradesman, but also for many Social Democrats: with every reason, inasmuch as, according to Lessing, one admires in others precisely those qualities he lacks himself. For Stinnes undeniably possesses energy and boldness. Unlike many pseudo-Marxist fatalists he does not wait on the “economic development,” but pushes forward the natural development of capitalism with the utmost vigour. And the good pacifists who expect “evolution” to do their work look on with admiring eyes and congratulate themselves on the revolutionary deeds which Stinnes, as a valiant

pioneer of Socialism, performs in the economic sphere. No doubt they have forgotten that a few years before a certain social democrat acclaimed Bethmann Hollweg as a great "revolutionary." They also overlook entirely that the concentration of capital and the interweaving of industry can only be useful to Socialists if the latter understand how to make them serviceable by a resolute and intelligent policy of socialization. Above all, they forget that such gigantic undertakings in the hands of clever and ruthless captains of industry represent a sinister power which threatens a badly advised and weakly led proletariat with complete economic and intellectual subjugation by the new oligarchy.

How great this danger has already become was shown by the attempt made at the end of 1921 by the iron and steel industrialists to denationalize the Imperial railways, and, by the participation of private capital, to get them into their own hands. In this connexion the railwaymen's union demonstrated, in a comprehensive document, that the railways' deficit, so far as it can be called a deficit according to mercantile accountancy, is in no way to be ascribed to bureaucratic mismanagement, but, in the first place, to the deterioration which took place during the war, the necessity of renovating the whole of the neglected rolling stock, involving enormous capital expenditure, and last, but not least, to the enormous rise in the prices of coal, and especially steel, which had forced up to a disproportionately high level the technical expenditure of the railways.

Another report, issued by the railwaymen's union

and transport workers' union conjointly, declared it was "an unparalleled presumption for the iron and steel industry, which bears an inordinate measure of responsibility for the temporary ruin of our railways and their colossal deficit, to reproach the present administration of the railways with incapacity, and to demand the transformation of the national railways into a capitalistic undertaking.

It is true that the Government and Parliament would not listen to the proposal to hand over the railways to private enterprise, but the attack of the big industries has not been repelled for good and all.

No administrative reorganization, no increase of rates, be it ever so ruthless—in fact, nothing short of a determined step towards socialization—would restore railway finances to a healthy condition. It is simply impossible, at a time when every industrial concern seeks to establish its own basis of raw materials, to enable them to continue to compete successfully, when the great locomotive works have taken over coal and iron businesses, that the Imperial railways alone should remain an isolated undertaking, exposed to exploitation by the contractors who supply the materials.

The co-ordination of production, starting with the raw materials and extending to tyres, carriages, locomotives, and all the means of transport, must and will come. The alternative policies are capitalist trustification, or socialization on vertical lines. The surrender of our railways to a private concern would be the consummation of the plundering of the nation by the great capitalists. Consequently,

socialization is the only possible policy. It goes without saying that such a policy would encounter the fiercest opposition from the economic groups standing behind the German People's Party.

A compromise between a really democratic and socialist party and the avowed party of large capital is, for the above reasons, impossible as a permanent policy. The notion that in this way the reactionary, counter-revolutionary danger would disappear, that the reaction would be divided, that the heavy metals' industry would be reconciled to the Republic, and, through concessions, made into joint protectors of democratic liberties, can only be entertained by simple-minded persons. The aristocracy of money looks after its rights of domination and exploitation no less zealously than the aristocracy of birth. It would therefore be disposed to make terms with democracy only on condition that the latter protected its capitalistic privileges as least as carefully as the old military and police State. Upon this assumption the reconciliation of the iron and steel industry with the democratic Republic is conceivable. But such an assumption could never be granted by a socialist party which does not wish to lose all credit and support among the working classes.

The ominous consequences of the compromising tactics of the Social Democratic Party are already becoming apparent, in the economic sphere, in the shape of increasing financial distress, a senseless fiscal policy, continual currency depreciation, intolerable dearness of the means of subsistence; politically, in the form of a serious increase in the discontent

of the masses, gigantic strikes of officials and workers, which break out spontaneously, and a fresh inoculation with revolutionary sentiments of those sections which most readily listen to the Independents and the Communists.

Thus, the events of the past few years threaten to catch Germany in a vicious circle of despairing outbreaks of the embittered masses, followed by forcible suppression and reactionary counter-strokes. Socialism and Democracy incur the risks of new and heavy defeats.

The sole path of salvation lies in the renunciation by the Right Socialists of the policy of supine compromise, the renunciation by the Left Socialists of irresponsible phrasemongering, and the uniting of both sections for constructive and practical work for Democracy and Socialism.

REPARATIONS AND TAXES

In the course of recent years world economic conditions have been of such a nature as to excite the greatest astonishment and the deepest resentment among the Allies, especially France. The inevitable consequences of the destruction of enormous quantities of values and national productive forces caused by the war have apparently hit with terrible severity precisely those States which were victorious, viz., England, France, and Italy, whereas vanquished Germany seemingly offers the spectacle of the greatest economic prosperity. England has 2,000,000 of unemployed, France

suffers from acute financial difficulties, while business in Germany is at the high-water mark, and the Budget for 1922 balances income and expenditure at the figure of about 100 milliards, which would meet all the outgoings of the State, provided the reparation demands were absent. The new Budget contained no provision for reparation claims. Even the produce of the compulsory loan of one milliard gold marks, which has been decided on, would not suffice for more than one-third of such claims. Again the alternatives arise: either the Entente must forgo the greater part of its demands or the manufacture of paper notes, and the depreciation of the currency, which favours German dumping, will proceed uninterruptedly.

France regards these economic and financial phenomena as the artful devices of a fraudulent bankrupt. France asserts that Germany could make the reparation payments if she liked, for, has she not brought her commercial machinery and her industry back to the state of full mechanical power? Does she not flood the markets of the world with commodities? Are not her industrialists, her bankers, her merchants, and her farmers doing splendid business? Does not luxury and a sumptuous mode of living prevail as never before? All these things cannot be disputed. Only France forgets to fill in, besides the lights, the deep shades of the picture, the expropriation of the small "rentier" and the confiscation of savings by the continued currency depreciation, the impoverishment of this class and of the workers, employees, and officials by the constant shrinkage of real wages.

The former State Secretary, August Müller, was obliged to admit in the "Berliner Tageblatt" of February 5, 1922, that the internal purchasing power of the paper mark was only 4 pfennige.¹ Thus an income of 30,000 marks to-day was only equivalent to a pre-war income of 1,200 marks. Germany's economic prosperity and expansion of wealth is, therefore, supported only by the shaky scaffolding of a doubly-exploited and doubly-embittered class of workers and employees. Moreover, it is merely the incidental product of the continuous fall in the exchange. If an improvement in the exchange, an adjustment between home and world market prices, and an approximation of German wages to world market wages should really be brought about, Germany would not be able to avoid the economic convulsions from which the allied countries are at present suffering.

In addition, the Entente countries, and especially France, have only themselves to blame for the actual German conditions. When the war ended Germany found herself in the most critical situation, without the means of subsistence, without raw material, with a ruined railway service, an industry unsuitable for production in peace time, and a decline of one-third in agricultural production. If the Entente countries—if France—had been accessible to reasonable ideas, they would have supplied Germany with the most extensive range of commodities, and granted her extensive credit facilities to support and restore the German

¹ 100 pfennige to 1 gold mark.

exchange. Instead of acting in this spirit of world-economic reconstruction all efforts were exerted to give effect to reparation exactions which were stupidly excessive. Now it is realized too late how much reparation demands are worth which cannot be fulfilled. Helpless, left to herself, and treated by foreign Capitalism as a legitimate object of exploitation, Germany resorts again and again to the wholesale manufacture of paper money. German Capitalism speedily discovered how to turn its misfortune into an advantage. Currency depreciation brought about dearness, dearness led to increases of wages and salaries, which were disastrous for the State as an employer. Private enterprise, however, made these wage-advances pretexts for disproportionate and premature increases of prices, which yielded double profits. The more real wages remained behind the wages of competing countries, the more rapidly German industry was able to capture the foreign market—much to the vexation of England and other industrial States, which sought to protect themselves from dumping by high import duties, and by the 26 per cent. tax on German exports.

Even if, in the meantime, German agriculture to some extent recovered, and German industry gained full employment, the reparations could not be paid, in spite of the ruthless pressure which has been applied. Although a German Government was overthrown through an ultimatum in May, 1921, and the new Cabinet was compelled to bow to the reparation dictates, the actual payments have not been made. On the other hand, out of the struggle

over reparations developed an ever-acuter antagonism of interests and increasingly serious tension between France and England.

Above all else Germany could point to one thing : she would not be able to make yearly payments of milliards in gold, in foreign securities, without depreciating her exchange in an ever-increasing measure. Reparation payments would be possible only on the assumption of a highly favourable trade balance. But according to the declarations of her Government Germany has an adverse trade balance of two milliards of gold marks. She is, therefore, obliged to buy foreign securities with newly printed paper marks, which leads to the continual depreciation of the paper mark, and to increased possibilities of dumping for German industry. If, however, Germany pays in kind, instead of with gold, this may sensibly harm England's export trade, as is shown by the German coal deliveries to France. It is not surprising that the Cannes negotiations broke down, and that now, as then, the dimensions and nature of the reparations are a subject of dispute between England and France. Genoa was hardly likely to relieve the tension and bring about a settlement of the critical problem.

Nevertheless nothing could be falser than for Germany to imagine that in this way or that way reparations may be evaded. France's financial position is much too bad for this, and the behaviour of the German bourgeoisie much too provocative. What may be achieved in time by discretion and honesty is the scaling-down of reparations to a

tolerable figure and their discharge in the form of deliveries of goods, which France could use without hurting England.'

The general assertion that Germany cannot pay is consequently as pernicious as the representation that, in certain circumstances, Germany would easily be able to raise three or four milliards of gold marks annually for reparations. This optimistic conception is, strangely enough, set forth in the writings of the Right Socialist, Parvus. He assures us that Germany's industrial capacity has merely to be raised to the utmost, and the exchange to be stabilized, by means of a foreign credit of four milliards of dollars, in order, through an increase of exports, especially to China and Russia, to show a correspondingly favourable trade balance. In this Parvus counts on gigantic credits which are not to be had, and enormous selling possibilities which will not be realized for a long time to come, as the reconstruction of Russia and the opening up of China can only be gradually effected, and, moreover, will not form the economic preserve of Germany. Instead of dazzling the foreigner with a *fata morgana*, it would be better to sharpen his practical sense, and endeavour to make him realize that, so far as reparations can be furnished at all, they can only take the form of deliveries in kind, which would not inflict too severe a blow, either to Germany's economic organism or to that of any other country.

That such deliveries of goods would serve the reconstruction and economic development of France far better than all payments in gold—even if she

could have them—is set forth in a very interesting book¹ which Professor Ballod has lately published. Ballod sketches therein a plan for the restoration of France and the other countries by means of the electrification of railways and of industry, by agricultural improvements, and similar methods, which deserve serious attention both at home and abroad. To be sure, the carrying out of Ballod's reparation plan presupposes the recovery of Germany and an earnest desire for social and even socialistic innovations; but without such a desire the economic and political equilibrium of Europe can never be restored at all.

How much success has been attained with the old capitalistic methods is shown by the negative results of the last few years. The rebuilding of German economy has indeed been achieved, but only at the cost of ruining our finances and accentuating the social antagonisms, which might bring about a catastrophe at any moment. The strike of the railway workers in February of this year was the first sign of the storm.

The new Budget for 1922 is typical of the financial policy which has hitherto been practised. The Finance Minister, Hermes, prided himself on being able to show a revenue of 100 milliard of marks from taxes—twice as much as in the Budget for 1921. But this comparison was worthless, because the dollar, which was worth 76 and 84 marks respectively in July and August, 1921, stands now (February, 1922) at about 200 marks.² If, on the

¹ Wiedergutmachungsfrage und ihr Lösung.

² February, 1923, 20,000 marks.

other hand, the mark is to be taken at its internal value, this has considerably decreased, in comparison with 1921, and in any case does not amount to more than $\frac{1}{5}$ of the pre-war value. Consequently, the 100 milliards of paper marks would not be more than 4 milliards of gold marks. In relation to the shrunk total of German incomes this may be regarded as a large revenue. The burden will become wholly unbearable, inasmuch as it must be borne almost entirely by a single section of the nation—by the class which receives wages and salaries ; for not only must the greater part of the 25½ milliards of customs and excise duties fall upon the working classes, but the 24 milliards of corporation tax, the 23 milliards of income taxes, and even the taxes on property will, to a very large extent, in the present conditions of the exchange, be shifted on to the proletarian sections of the population.

England rendered an incomparable service to the German capitalistic class, while doing an injury to herself, when she urgently recommended the German Government to balance its Budget by ruthlessly increasing the taxes, duties on articles of consumption, the railway and postal rates. There would have been some reason in such a demand if Germany had possessed a fixed monetary standard. In that case the masses and the classes would have been obliged to share the increased costs, without causing a revolution in prices and a general process of upheaval. Unfortunately, Germany does not possess any stable money, but only paper notes, whose fictitious value rapidly

dwindles at the slightest impulse. This was left out of sight by the English financial advisers when they recommended the German Government to render superfluous the printing of more notes, and thus stabilize the exchange by means of indirect taxes and higher tariffs. The German capitalists and their mandatories in the Government have only too gladly followed this advice. What a capital thing it is to be able to point to the *sic jubes* of the Entente when the pressure of the taxes begins to be felt. Such a prompt compliance with instructions from the Entente had never been known before. And thus, in addition to an increase in the corporation tax, the doubling of the coal tax, and all the other tax increases, which are to produce twice as much revenue, we have enormous increases in the railway and postal rates, and the abolition of the food subsidies, which means another twenty-two milliards out of the pockets of the consumers.

In spite of all this, the German wage- and salary-earners would be fortunate if the operation of the taxes signified for them only a matter of so many dozen milliards. This will not be the case, as the Proletariat will once more become the victim of an enormous rise of prices and depreciation of money. The producers and merchants double and treble every burden in passing it on to the consumer. The dearness of coal, caused by increases in coal prices, coal taxes, and higher freights, will have the most disastrous consequences, directly through the dearness of house fuel, gas, and electricity, indirectly through the reactions upon the iron and steel trades and all other branches of production.

Dear bread will be accompanied by dearness of all the necessities of life. Already the cost of subsistence is three times as high as a year ago, and in a few months it will be four and five times as much. In addition, we are confronted with a threefold increase in rents.

The possessing classes in town and country are able to support this development with the same equanimity as they have ever displayed. The victims of these scandalous operations are the workers, the employees, the officials, and a considerable proportion of the intellectuals. Upon them falls the whole brunt of the increases in taxes and prices, which are bound to worsen still more their penurious existence, unless these classes are able, by means of desperate wage-struggles, to obtain considerable rises in wages and salaries.

Mere wage-increases will be granted by private enterprise, all the more readily as they can simply be passed on to prices, with a supplement, but the State, with its gigantic army of officials, would thereby be plunged into the direst financial calamity. What is the use of its nicely balanced Budget if its expenditure be immediately swollen to huge dimensions. It has not even the consolation that higher incomes are certain to bring a correspondingly higher revenue in the shape of taxation, for these incomes are but incomes in paper marks, whose real value has become less, and whose tax quota must consequently be lessened. As far as the State is concerned the incomes of the masses yield an ever-diminishing amount of taxes, while the incomes of the possessing classes elude with ever

greater ease the grasp of the tax gatherer, owing to the experience gained in these chaotic times of price revolutions and exchange fluctuations.

That the fiscal policy represented by the new Budget, which marks the compromise on taxation effected with the German People's Party, is not in the least likely to succeed even in balancing our internal Budget, is admitted by the financial experts of the bourgeois parties. For instance, Dr. Felix Pinner writes in the "Berliner Tageblatt" of February 4, 1922, that the whole of the taxing operations, including the compulsory loan of a milliard gold marks, are nothing more than "beating the air." "It is as little to be expected that they will balance the Budget as that they will stem the tide of inflation, and the latter evil will enable the producers to shift the whole burden on to the consumers, like they have done in the case of all previous impositions. At a time when the consequences of throwing the burden on to the consumer have become apparent in the shape of an ominous disposition to new wage struggles, which menace the State and national economy, when the Budget adjustment which is attempted by means of increasing the revenue threatens to disappear in the degree that the expenditure increases, such a solution as this is childish." The new taxes, the increases in tariffs, the abolition of the food subsidies, — in short, the whole of the Entente prescription will not balance the German Budget, and will not arrest the monetary depreciation and the inflation. On the contrary, the considerable shrinkage in the internal value of the mark will

give an impetus to a further fall of the foreign value of the mark. This process will secure for German industry an opportunity for more extensive dumping in the world market.

Thus the English financial advisers have done England a bad turn by their unlucky advice.

That such a policy signifies maladministration of German finances, and is certain to reduce the proletarian sections to complete penury, has for long been the clear conviction of all serious economists in the German Labour Movement. Thus Parvus is merely contemptuous of this "reckless taxation," which degenerates into "fiscal Bolshevism." Not the slightest regard is paid to the possibilities of shifting the burden, which makes every financial measure illusory. "What we are practising is not a rational policy of taxation; it is fiscal bamboozling." Various other eminent economists have on numerous occasions represented most urgently that the financial difficulties of Germany and the impoverishment of the masses can never be remedied by taxes with a shiftable incidence of the kind hitherto imposed, but only by a capital levy of a drastic nature, by collecting taxes at the source, and by socialization measures which aim at cheapening production and lowering prices.

Few traces of a recognition of these facts can be found in the official policy of German Socialism. The Social Democratic Party is becoming more and more involved in an impotent policy of compromise; the Independents repeatedly cry out for the solution of socialization, but do not make the least attempt

to give an intellectual shape to their demands, and to make them really popular, the Communists hope always for the collapse of the system and the Soviet dictatorship. No less a person than the chief economic director of the erstwhile Hungarian Soviet Republic, Professor Varga, has, under a *nom de plume*, lately published a book deserving of attention,¹ which hails the German fiscal half-measures and the economic difficulties which they create as the harbingers of the new revolution. However fantastic this speculation may seem, after the strike convulsions which we have experienced at the beginning of February it ought to disturb the peace of the more careless minds. For Varga's assumption, that the struggle over the taxes will develop into a life-and-death struggle between capital and labour, may only too easily prove to be true, even if the end of it should be, not the dictatorship of the Proletariat, but the dictatorship of trustified capital. Or, what is most probable, a totally devastated and demoralized Germany.

I would most earnestly exhort the workers to close up their ranks. All the capitalistic sections, conscious of their class solidarity, and their community of interests, have long been so firmly welded together for fighting purposes that the working class ought to take a leaf out of their book. And what material resources, what a crowd of the most skilful experts are at the service of Capitalism, as compared with the Proletariat. All the more incredible is it that the

¹ Dr. Eugen Pavlovski: "Der Bankrott Deutschland.

weekly organ of the Social Democratic Party could utter the editorial opinion that the split in German Socialism must remain a permanent institution, because it corresponds to natural differences of interests and class among the Proletariat. It is possible that between the masses and many leaders a certain differentiation has in fact taken place. Let the masses take care that the foolish jealousies among their leaders and untimely rivalry between organizations do not destroy the healthy feeling of solidarity and do not break the striking power of the proletarian army.

It is not merely a question of the cohesion and the skilful leadership of the masses, considered physically, by the parties and the trade unions. The utilization of all available intellectual and moral energies is at least equally important. Above all, it is necessary to create an intellectual centre, which would be able to give counsel and direction to the masses engaged in the class struggle.

Socialist theory and proletarian practice must be brought into the closest connexion with each other. There must be no waiting upon "evolution" nor reliance upon "the inherent reasonableness of things," but the formulation of policy on the most rational lines, and the taking of initiative in the most energetic manner. Just as Capitalism has developed higher forms and increased its powers of resistance tenfold, so must Socialism rise to higher forms and multiply its powers, if it is not to be cheated of its hopes, in spite of the Republic and political democracy.

Every refinement in Socialist strategy, every improvement of proletarian methods of struggle, and every increase in the striking powers of the Proletariat, is dependent upon this one condition—the cessation of proletarian civil war and the creation of a Socialist united front.

CHAPTER X

THE LATEST PHASE

THE ECONOMIC DISINTEGRATION

TREMENDOUS as were the dimensions and political consequences of the World War, the effects of an economic and social character which it produced were fraught with more far-reaching significance.

After Russia, Germany has suffered the severest shock from the impact of these forces. Even in the fourth year after the military collapse and the proletarian upheaval, their effect is no less violent than in any of the preceding years. In fact, it seems as if Germany is on the eve of a new and most severe economic and political crisis. In any case, it will need the wisest and most energetic policy on the part of German Democratic forces, and the most moderate and at the same time most positive attitude on the part of foreign States, if Germany is to escape fresh convulsions, which sooner or later would be fateful for the whole of Europe.

Revolutionary and Counter-Revolutionary outbreaks have, it is true, been spared Germany during the year 1922, although unmistakable symptoms of the secret activities of disruptive subterranean forces may be detected. Three murderous attacks,

quickly succeeding one another, upon political personalities, to one of which Walther Rathenau, the Foreign Minister, unhappily succumbed, testify to the reckless agitation and the boundless audacity of the extreme Right. It is a regrettable fact that these nationalist-monarchical attempts were not repelled with the vigour which the defence of the Republic and of Democracy requires. Instead of encountering thoroughgoing precautionary measures of an organized and economic character, which would have prevented fresh crimes and a further strengthening of the Counter-Revolution, police half-measures were deemed sufficient. Instead of creating a great Republican *Bloc* of the Left, bourgeois Democrats and Centrists sought refuge in a "*Bloc* of the Centre," of which the German People's Party has become the driving force—precisely the party which has put the greatest difficulties in the way of the Republic, which has constantly flirted with Monarchism and Jingoism, which has denounced as treachery to the Fatherland every honourable endeavour to fulfil the obligations of the Peace Treaty, and which has hitherto unscrupulously jeopardized the existence of the Republic by its economic and financial policy. Centre and Democrats strive to persuade the public that the Republic, threatened by Monarchists and Militarists, may be most effectively protected by delivering it into the hands of the industrialists of the German People's Party, the close spiritual affinities of its inveterate enemies. The Social Democratic Party found this way of safeguarding the Republic to be so inappropriate and absurd

that it rejected the idea of governmental coalition with the German People's Party, and accordingly left the Government in October.

Both the audacious attempts of the Right and the formation of a purely bourgeois government, with increasingly strong tendencies towards the Right, prove that in wide circles of the German public a further divergence from the ideas of the Republic and of Democracy has taken place. As, however, on the other side, the two tendencies of the Social Democracy have fused to form a united Party, since when the forces of the proletarian socialistic movement have again shown a tendency to grow rapidly, the bourgeoisie and the working class confront each other in sharper opposition than has been the case for years. If the economic position becomes more acute, and with it the class antagonism, the danger of serious conflicts will draw threateningly near. This danger of fierce internal struggles increases the possibilities of fateful international collisions.

The key to this political development of German relations is furnished by the nature of German economic conditions. In this connexion it must be recorded that all the abnormal features of the economic life which we have described in preceding chapters have assumed grotesque proportions in the year 1922. In discussions between the French and English Governments upon the problem of reparations, and generally among the conceptions which prevail abroad, two antagonistic opinions are met with. According to the one, which a Poincaré represents, Germany is a thriving and

wealthy country whose workers are fully employed and whose industry enjoys unexampled prosperity—a country, therefore, which could very well perform its reparation obligations, if it did not simulate a fraudulent bankruptcy by systematic inflation and artificial financial disorders. The other conception, to which Lloyd George and Bonar Law incline, is based on the assumption that the economic prosperity of Germany is to a large extent only an apparent prosperity, that, without her connivance, she has fallen a victim to the anarchy in the exchange, and is bound to collapse utterly if a several years' respite and financial help from abroad are not forthcoming.

Such divergent opinions, which are both based on careful observation and the authority of economic experts, would not be possible if an abundance of supporting material did not exist. As a matter of fact, the question whether Germany is a rich or a poor country, whether her population is well or poorly off, cannot be answered by a straight Yes or No. There is one Germany where everything is roseate, and another Germany which groans under fearful misery. The class antagonisms which arise in every capitalistic country have, under the process of currency depreciation, developed to an acuteness in Germany of which countries with a healthy currency and normal economic functions can scarcely conceive.

It is indisputable that German industry is fully employed. Since May, 1922, the number of supported unemployed workers has fallen far below 100,000. And the industrialists have not only been favourably situated; they have also done good

business. Prices might rise continually, in consequence of the unstable exchange, and indeed far beyond the increases in wages and salaries, which fact rendered possible the realization of unusual profits. In this raising of prices the lead was taken by the basic industries. Thus, in December, 1922, the price of coal was forced up to 22,000 marks per ton (as compared with 900 marks in March of the same year), which, after deduction of the 40 per cent. coal tax, shows an increase of 1,200-fold upon the 1913 price. Iron and steel prices were raised in the first half of December to about 300,000 marks per ton, or 3,000 times the pre-war price. The prices of all other products of industry and agriculture have risen, if not quite in the same proportion, yet far above the wage increases. This does not apply only to those products, like textile goods, which are manufactured from imported raw materials. All commodities, including those manufactured entirely from materials existing in Germany, exhibit the tendency to approximate to world market prices. Wages alone lag behind the general rise in prices. In December, 1922, they had attained at the most an average increase of 400-500-fold, whereas the cost of living had risen to 1,000-fold.

Can it be believed that such a disproportion between the rise in commodity prices and the rise in wages, in a country with a numerous working class, can continue permanently to exist, inasmuch as the inadequate purchasing power of the working classes is bound to paralyse industry? Yet Germany has experienced this phenomenon for years! The explanation is to be found in the

simple fact that industry is chiefly working for the export trade and for those sections of the population whose purchasing power has tremendously increased in comparison with pre-war times. Among these sections we have first to reckon agriculture, which has discovered how to compete with industry in the forcing up of prices. The price of rye has increased to 270,000 marks per ton, or more than 1,500 times the pre-war price. Even the price of the compulsorily reserved wheat was raised in December to 165,000 marks per ton, which will necessitate an increase in the price of the quartern loaf to 500 marks, or 1,000 times the pre-war price. As the prices of cattle, milk, butter, eggs, and vegetables have enormously increased, and the expenditure of the farmer on labourers and servants has not grown in anything like the same proportion, agriculture, which was able during the war to pay off the greater part of its mortgages, and has been freed from the balance by the currency depreciation, possesses to-day a purchasing power it never knew before.

Industrialists, stock brokers, speculators, and farmers are the usufructuaries of the economic prosperity. They have not only retained their possessions, their "substance," but have been able to augment them considerably, while the holders of mortgages, State loans, and savings bank deposits have been completely expropriated, and the working class and the greater part of the middle class have been plunged into poverty and bitter privation. The process of economic disintegration and upheaval which was set in motion by the war and the mili-

tarist collapse has brought about a complete transposition of property and income groupings. The heavy-metals industry and the banking capital which is fused with it are able to absorb entirely the property of small capitalists, and to create gigantic monopolistic concerns, whose financial and political influence is now become unbounded and omnipotent. And agriculture, the partner in this unparalleled capitalistic foray, looks on this development, not only unmoved, but directs its political anger against the working class, the trade unions, and the Social Democracy, which strive vainly to put a stop to the rise in the cost of living. The agitation of the Social Democracy against the forestallers has hitherto been too exclusively confined to the transparent practices of trade and agriculture. That farmers and traders do not fix their prices according to their own net costs of production is too obvious to escape the strongest protests of the Socialists. On the other hand, too little attention has been paid to the forestallers of industry, especially the iron and steel industry, who have also made enormous profits, and, moreover, by their forestalling, give an impetus every time to the upward movement of the whole range of prices. An expert who has been quoted before, Horten, the former manager of the Thyssen Works, has recently called attention to the huge monopoly profits of the iron and steel industry, and asserts that this industry alone has netted excessive differential profits amounting to uncounted milliards. Even the business manager of the Iron and Steel Products Association, which is the union of the iron- and

steel-using industries, has entered a sharp protest against the excessive prices fixed by the steel union. The contention of the steel union, that the high prices for the ore, which, after the loss of the former German ore deposits in Lorraine, must be imported from abroad, accounts for the high steel prices, is not admitted. The Thomas Works, which are in the front rank of importers of foreign ore, themselves exported so much steel that the bills receivable in respect of these exports fully covered the bills payable for the ore purchases. It must be remembered that in a normal condition of the exchange only about a third of the total price would have to be marked for ore purchases, the remaining two-thirds consisting of the costs of native raw materials and of wages.

Even if we always bear in mind that the German currency depreciation and inflation are to be traced to the economic disorder caused by the war, and since the war, chiefly to the economic amputations of the Peace of Versailles (the ore deposits of Lorraine and the coal of Upper Silicia), and to the burden of reparations, undoubtedly the ruthless forcing up of prices by the heavy-metals industry and of agriculture has lately considerably accelerated the process of inflation and currency depreciation. This is particularly the case in the year 1922, when, in spite of a moratorium, the currency depreciation has proceeded by leaps and bounds.

Although industry, banks, speculators, and farmers have netted gigantic profits, the standard of living of the majority of the people has been lowered to an intolerable point. In the first place, the workers

themselves have had no share in the huge profits which flow into industry, notably the trustified monopolies. It is true their nominal wages rise continuously, but they remain far behind the rise in the prices of commodities, so that their present purchasing power is reduced to two-thirds—perhaps one-half—of their pre-war purchasing power. The Director of the Statistical Department of the English Ministry of Labour, John Hilton, has ascertained, by means of detailed investigations, published in the October Reconstruction Supplement of the "Manchester Guardian," that in respect of the months of April and May, 1922, the average wage for a 48-hour week amounted to 15.6 shillings in Germany, 41.9 shillings in Belgium, 51.4 shillings in France, 82.3 shillings in England, and 195.4 shillings in the United States. Taking into account the variations in the cost of living between country and country, Hilton calculates that the purchasing power of the German worker amounts to only one-half of the purchasing power of the English worker, and only one-third of the purchasing power of the American worker. Since then the currency depreciation in Germany has made colossal strides, and the consequent rapid rise in prices has still further depressed the purchasing power of German wages. The skilled workers have been hit most severely, as their wages are now scarcely more than the wages of unskilled workers. While in the year 1913 the wages of skilled workers bore a ratio of 163 to 100 to the wages of unskilled workers, on August 1, 1922, the proportion was but 108 to 100. Even the Socialist, who holds excessive wage

variations within the working class to be an evil, does not welcome this removal of the demarcation between skilled and unskilled labour.

Relatively worse even than the workers, the dear living and currency depreciation has affected the officials and employees. While in 1913 the average wage of lower officials stood 80 per cent higher than that of unskilled workers, the overplus was only 15 per cent at the end of July, 1922. The intermediate class of officials who in 1913 received more than four times the wage of an unskilled worker, received in the summer of 1922 only one and a half times as much, and even the higher officials have been reduced from seven times to twice the income of an unskilled worker. According to the new salary rates for December, 1922, the monthly salary of the lowest class of officials amounts to 36,663 to 47,874 marks; that of the highest class of officials 145,440 to 206,040 marks. As the internal purchasing power of the paper mark is at the most one-thousandth part of the mark's pre-war purchasing power, these monthly salaries represent 36 to 206 pre-war marks.

Those who follow "free vocations"—doctors, barristers, savants, artists and writers—have suffered from the currency depreciation even more than the officials. In part these workers have been completely pauperized and compelled to do mechanical or manual labour to avoid starvation. The same fate has befallen many who live on dividends and property owners. Worst of all is the plight of social pensioners, those receiving old age and disablement pensions and widows with a number

slaughtered in Germany, of which 18,000,000 were slaughtered in the towns. In the year 1921, of 18,000,000 of pigs slaughtered, only 7,000,000 fell to the towns. It is a great error to assume that the meat and milk which go to the towns are chiefly consumed by the workers, the employees, and the officials. These sections of the population have been obliged to restrict to the utmost their consumption of meat and milk; a disproportionately large portion of meat, lard, milk, butter, eggs, sugar, in short, of all nourishing foods, is consumed by the exchange profiteers and speculators. In consequence of the poor standard of living the state of health of large sections of the population gives rise to great anxiety. The representatives of the German medical profession, meeting in Berlin on December 15, 1922, were obliged to place on record: "Tuberculosis is raging. Rickets and anæmia are spreading. Scurvy is no longer of rare occurrence. The danger of pestilence cannot be over-estimated: if Germany succumbs to the danger, the whole civilized world is threatened. The desperate economic situation needs to be fundamentally changed, and we appeal to the world to facilitate this change."

To the malnutrition of the proletarian masses must be added the housing shortage, which tends to increase in severity. The rich class is not in the least affected by it. On the contrary, during the past year numerous luxurious villas have been built in the large towns. That these villas cost fabulous sums is a matter of indifference, as the profiteers and speculators invest their gains, as far as they

are not sent abroad, at any price, in estates, luxury buildings, expensive furniture, automobiles, works of art, jewellery, bills of exchange, and similar things. The working and middle classes are crowded together in barrack-like quarters.

The arrears of houses accrued since 1914 are estimated to number 1,390,000, and this number increases annually by some hundreds of thousands in consequence of marriages. New dwellings, however, cannot be constructed for ordinary people, as the prices of building materials have mounted so high. As the construction of a three-roomed dwelling in December, 1922, cost 2,500,000 marks, the annual rent would have to be fixed at 200,000 marks, to cover cost of construction and maintenance.

In view of the fact that, through the operation of the rents restriction law, rents have risen but little above their pre-war level, such a raising of rent as the above figures would contemplate, together with the imminent doubling of the price of bread, would necessitate fresh increases in wages on a large scale, to be followed by renewed inflation. Houseowners would indeed receive a generous present at the cost of the community, but this step would in no wise check the rise in the prices of building materials or guarantee the construction of new houses. It has therefore been proposed in Socialist quarters to raise the rents of new houses to twenty times pre-war rents, and to cheapen the cost of construction by taking drastic measures against the fore-stallers of building materials. It would indeed be a mockery of social justice if the abolition of the regulation of rents and the restoration of a free

market for the houseowner should result in the extortion of fresh milliards from the workers, officials, employees, and similar classes.

Thus a closer investigation of German economic conditions proves that it is as false to speak of thriving and wealthy Germany as of impoverished and starving Germany. The depreciation of the German mark has indeed enabled a minority of the German people to enrich itself by the unscrupulous exploitation of the inflation, and to pass on all the evil effects of the economic disintegration to the sections which live by manual and mental labour; it has also plunged the majority of the German people into a state of economic and social misery never before known. Every measure aiming at economic reform, which is not based on a full recognition of these peculiar conditions, will be frustrated, and will only render the situation of Germany and of Europe more critical.

THE STRENGTHENING OF REACTION

The impoverishment of the Proletariat, as well as of broad sections of the middle class and of the intellectuals, has a peculiar result. It does not lead to the growth of revolutionary sentiments among those sections of the middle class which have been overtaken by economic disaster, but to a revival of old reactionary monarchical and nationalist ideas, to an increasing hatred of the working class and of Socialism. This consequence of the agrarian-capitalistic plundering of the masses does not seem

so remarkable when the social and intellectual state of Germany is more closely envisaged. The middle classes feel bitterly their privations, which grow daily, but do not perceive the real causes from which they spring. 'The progress of scarcity constantly shortens the area within which work of enlightenment may be carried on in favour of Socialism and real democracy. In consequence of the paper shortage, occasioned by the 6,000-fold increase in the price of wood, numerous Socialist and Democratic newspapers have either curtailed their pages or ceased publication; while Stinnes, by acquiring forests, paper factories, and newspapers is able to exert an unbounded influence on public opinion.

It becomes increasingly difficult for Socialist and Democratic propaganda to reach these sections of the middle class, which consequently succumb to reactionary influences.

The Revolution and Democracy are made responsible for all the misery that has appeared; for the Revolution, as the organs of German nationalism and of the People's Party daily inform their readers, caused the military defeat, through the "stab in the back," invented by Ludendorff to conceal his own rash policy. In addition, the Treaty of Versailles and the subsequent treaties, which have involved Germany in such heavy losses of population and territory and such enormous reparation burdens, were signed by Socialists and Democrats. Had not the Left so shamefully betrayed the people a last-hour effort would probably have averted the defeat, and spared Germany the peace dictation of

the league of enemies, and the "Peace of Shame."

Finally, Socialists and Democrats are held responsible for the currency depreciation, which has expropriated the small "rentier" and houseowner, the fantastic rise in prices, and the huge deficit in the Budget; for all these economic mischiefs and financial crimes are only the results of their incapacity, their corruption, their extravagance, and their surrender to the shameless workers, who have caused the rise in prices by their eight-hour day and high wages.

During the summer of 1921 the Independent Socialist, Gareis, and the Centre leader, Erzberger, were murdered by reactionary plotters. The summer of 1922 was not destined to pass without fresh outrages. On June 5th two reactionary bandits attempted to murder the former Prime Minister, Scheidemann, in the Wilhelmsheide Park at Cassel. On June 24th, the Foreign Minister, Walther Rathenau, was killed by a shot from an automatic pistol and a hand grenade, aimed by two assassins from a passing motor lorry, just as he was about to step into his automobile. Before the excitement caused by this fresh outrage had subsided the well-known publicist, Maxmilian Harden, was attacked near his residence and dangerously wounded.

The same motive underlay all these attempts—to strike at the Republic in the persons of its chief representatives. Rathenau and Harden were victims, not only on account of their republican activity, but also because they were Jews.

Scheidemann had drawn on himself the hatred of the organization of assassins because he was supposed to be one of the leaders of the Revolution. It was hoped, through these attempts, to provoke the Communists and Socialists to insurrection, thus affording an occasion for brutal repression by the national guards and the suspected volunteer organizations, which opportunity would be used to proclaim a dictatorship of the Right.

But the Communists had meanwhile learnt a lesson from their own defeats, and on this occasion refused to be provoked. Moreover, the murder of Rathenau, who was highly esteemed in industrial circles, incensed public opinion to such a degree that the moment was highly unfavourable for the reactionaries to engage in a trial of strength.

Six months have passed since Rathenau's murder. During that period a law has been enacted for the protection of the Republic, sentence has been passed on a few assassins, and a number of secret leagues has been dissolved. There is, however, no certainty that the reactionary agitation has been put down and that insurrectionary and murder organizations no longer exist. On the contrary, there are a thousand signs that the prohibited and dissolved secret organizations continue to flourish under other names, and to make ever more unscrupulous and comprehensive preparations for murders and revolts.

There are probably no organizations of which the sole aim is political murder, but the organizations which exist affirm murder to be a subsidiary object, or a means to an end. The special aim of the secret

organizations is of a nationalist character. They strive for the restoration of the monarchy and the former glory of the Empire. Further, these associations advocate an avowedly imperialist policy, especially the war of revenge. 'A military alliance with Russia, even with the Soviet Republic, occupies a large place in their hopes. In Bavaria the reactionary unions are marked by National-Bolshevist sentiments, and have consequently sought to enter into close relations with the Communists.

The chief centres of the secret organizations are to be found in the remnants, now scattered through Germany, of the Baltic army, which played the chief part in the Kapp insurrection; the movement which arose in Upper Silicia to resist the three Polish rebellions; and the volunteer corps established by the nationalists of Munich, after the suppression of the Soviet Republic. Munich is the focus of the whole movement.

The strengthening of the reaction and the increasing dangers which menaced the Republic and its representatives eventually brought about the reunion of the two Social Democratic Parties. Deeply moved by the murder of Rathenau, the Parliamentary groups of the Social Democratic Party and of the Independent Social Democracy resolved upon a close working union, which, under the pressure of the rank and file of the Labour Movement, led to negotiations to accomplish a complete fusion of the parties. The ease with which the leaders of both parties were able to agree upon a common programme proves how slight were the fundamental differences between the two parties.

At their conferences, held in Augsburg and Gera, the two parties resolved, with rare unanimity, to join together to form the United Social Democratic Party of Germany, and this decision was forthwith confirmed, amid the enthusiasm of thousands of delegates, at the Unity Conference of Nuremberg. A small group, led by Ledebour, broke off from the Independents, but this secession was insignificant, as by September the decision to unite had been carried out among the local organizations in all parts of Germany, without the slightest friction. In December an executive committee, elected on the basis of equal representation by the two parties, had already commenced to formulate a new party programme.

Through the unity of the two Social Democratic Parties, the Social Democratic group in the Reichstag has attained a strength of 180 members, and the group in the Prussian Chamber of Deputies has become a similar strong *bloc*. Even this imposing parliamentary strength does not reveal the strength of the united party. Now that the chief energies of the two parties has ceased to be dissipated in fratricidal strife, the united groups can henceforth direct their whole force to the task of capturing legislative power. The first proof of increased electoral strength was manifested by the results of the Saxony Diet elections, at the beginning of November. While on November 14, 1920, the two Social Democratic Parties only polled 870,000 votes together, on this occasion the total poll was 1,060,000 votes. As the Communists were also able to increase their votes from 180,000 to

270,000, the confident hopes cherished by the bourgeois parties, to destroy the Socialist majority in the Chamber and therefore to overthrow the Socialist Government, were not fulfilled.

On the other hand, the Social Democracy has left the Imperial Government. In spite of Rathenau's murder, Democrats and Centrists were bent upon bringing about the "great Coalition." Although the widespread anti-republican intrigues called forth resolute action by the Left, these two governmental partners of the Social Democracy sought to save the situation by increased complaisancy towards the German People's Party, which it was contended ought to be admitted into the Imperial Government, as it had been into the government of Prussia, to effect its reconciliation with the Republic. The Democrats and Centrists cannot see the suspicious and unreliable qualities of this peculiar ally, probably because their own attitude towards the Republic and Democracy is based on purely opportunist considerations. At the Nuremberg conference of the German People's Party in December, 1922, in spite of the presence of the then republican Vice-Chancellor, Dr. Heinz, and other members of the cabinet, the speeches were hardly less monarchical and nationalist in their tone than the speeches of the German Nationalists at Hanover. The Prussian Diet group of the People's Party has expressly refused to recognize the Republic. The German People's Party is therefore out-and-out reactionary.

Democrats and Centrists, however, are more strongly moved by the class solidarity of capitalists

than by constitutional questions. The fact that in October the term of office of President Ebert was prolonged until July, 1925, because no candidate acceptable to all the bourgeois parties could be found, does not mean that any obligation is felt to govern in the spirit of the Left. On the contrary, as many members of the German People's Party voted for Ebert at the presidential election, in the opinion of the bourgeois Left this party had thereby acquired the right to participate in the reconstruction of the Government.

The overwhelming majority of the United Social Democracy could not assent to the entry of members of the German People's Party into the Government of the Empire. They rightly apprehended that this would be nothing short of the first act of capitulation of the Republic to its inveterate enemies, which would mean the disappearance of every hope of carrying out a democratic economic and fiscal policy. On the other hand, the Democrats and Centrists persisted in their refusal to continue the old coalition of Centrists, Democrats, and Social Democrats. The fall of the old Government became inevitable. According to the Constitution, the holding of new elections would have been the quickest and more satisfactory method of composing the quarrel. As, however, no party felt sure of its success, and the enormous cost of elections, in view of the currency depreciation, was a formidable obstacle, the upshot of the crisis was the formation of a "Business Government," which is really a coalition government of the German People's Party, the Centre and the Democrats. The United

Socialists remain outside, without as yet constituting a definite opposition to the new Government.

They declare that they will first wait and see what the new Cabinet does.

As the Cuno Cabinet, by virtue of its composition and its party constellation, cannot pursue any but an extreme capitalist and strong nationalist policy, it was scarcely necessary for intelligent Democrats and Socialists to await its first political actions.

GERMAN FINANCES AND THE REPARATION PROBLEM

According to the estimates which the Imperial Finance Ministry gave to the Imperial Council regarding the Budget for 1923, the financial position of Germany continues to be desperate. Although in the ordinary Budget income and expenditure balance at the figure of 731.9 milliards of marks, the extraordinary Budget providing for subsidies amounting to 449.3 milliards to State undertakings, and sums of 206.4 in fulfilment of the Peace Treaty, necessitates the raising of 721.6 milliards, of which only 99.6 milliards are covered by the compulsory loan. This deficit does not include the special reparation payments at all. Even if these were estimated at no higher figure than in the last Budget, they would increase the deficit to more than 1,000,000,000 marks.

In consequence of the constant fluctuations in the exchange value of the mark these figures give an incomplete and unreliable picture of the financial economy of the year 1923. It is obvious that the

currency depreciation and the rise in prices which have occurred meantime have not been taken into account. The Budget was framed several months before the latest colossal fall of the paper mark.

But even if the anticipated revenue be multiplied five or six times, in view of the present position of prices, two factors would scarcely be altered. First, the fact of a huge deficit, and, secondly, the insignificance of the State revenue when expressed in gold marks. A total revenue of 4,000 milliards of paper marks would be equivalent to little more than 2.3 milliards of gold marks, as 7,000 marks exchange for one dollar.

A burden is imposed on the workers, officials, and salaried employees which is decidedly more severe than is the case in other countries. In terms of their purchasing power the income of these classes is far below the level of the incomes which, in England, for example, are exempt from taxation. While the taxation of the possessing classes in Germany is ridiculously slight, proletarian incomes are unsparingly taxed. All wage and salary earners are mulcted of ten per cent for taxes every pay day, whereas not until the end of the year do employers have to pay taxes on their under-assessed incomes during the preceding year. Under these circumstances it is no wonder that the proportion of taxation borne by the possessing classes becomes less from year to year and from month to month, while the share borne by the workers and salary earners constantly increases. The Executive Committee of the German Trade Union League, in a report presented to the Imperial Chancellor, Cuno, on

December 23rd, pointed out that the proportion of taxation levied upon wages amounted, in 1920, to 20 per cent of the total income tax receipts ; in 1921, to 33½ per cent ; in October, 1922, to 72 per cent.

In this connexion it may be remarked that the wage-earners do not only have to bear a disproportionately high share of the income tax, but an equally excessive proportion of the indirect taxes, which in amount far exceeds the direct taxes. All these taxes can readily be shifted on to the consumers by the agricultural and industrial producers, as long as the currency depreciation continues.

Even if an improvement of the financial situation appears to have been brought about, the deficit has been made to disappear only at the expense of manual and brain workers. Thus the former huge deficit of the State Railway Administration has been wiped out. This has not been effected by reducing expenditure, which would involve drastic measures against the profiteers in coal, iron, steel, wood, and other materials, but by means of an enormous increase in the rates. On December 1, 1922, these rates amounted to an average of 1,680 times the pre-war rates. This enormous increase appears justified in view of the increase of prices which have been paid by the Railway Administration for the materials it uses. But the approximation of railway rates to the excessive prices of coal and iron gives a further impetus to the rise in prices, as the increased freights are merely put upon the prices. The cost of transporting by railway a ton of Ruhr coal from Gelsenkirchen to Berlin was, in December,

12,500 marks, which necessitates increasing the price of coal from 22,000 to 34,500 marks. This price immediately forces up the charges for gas, and electricity, and tram fares, and, for the matter of that, all other prices. The necessary consequence was an increase of all wages and salaries, which again involved an increase of paper money and augmented the note circulation—the inflation. In January, 1922, the note circulation amounted to 112.69 milliards, in August to 205.27 milliards, in November to 582.10 milliards, in December to 970.20 milliards. The adjustment of railway rates to the rising prices would have been a justifiable measure only if it had been accompanied by a stabilization in the value of the mark. With the fluctuating value of the paper mark the increases in railway rates can only have the effect of stimulating the rise in prices and accelerating the process of inflation and currency depreciation. Consequently, the proposal of the Postal Administration to wipe out its present deficit of about 400 milliards by means of similar drastic increases in charges for letters, telegrams, and telephones is likely to arouse very mixed feelings.

The most important step towards an improvement of German finances and of German economy is, therefore, the stabilization of the mark. Without such a fixation of the external and internal value of the mark every attempt to balance the revenue and expenditure and to create the means for the reparation deliveries must remain a labour of Sisyphus. As long as the currency depreciation lasts it will offer the industrialists, farmers, and profiteers a thousand opportunities of concealing their incomes and

property. The most ideal machinery of taxation and the most energetic will to collect the taxes would, in consequence of the phenomena of continuous currency depreciation, meet with so many technical difficulties that huge sums would slip through the fingers of the tax-gatherer.

In October, 1922, the Social Democratic Parties and the trade unions embarked upon energetic action, in order to check the process of currency depreciation. At that time the dollar exchange had mounted to 3,000, provoking a complete revolution in German prices, with all its disastrous consequences.

The Social Democracy, therefore, demanded the immediate promulgation of an ordinance to regulate the traffic in bills of exchange. To make this ordinance effective comprehensive measures were recommended, such as the compulsory delivery of bills of exchange and the public regulation of all traffic therein.

This attempt to achieve stabilization would have to be supplemented by additional fiscal and economic measures; the speeding up of tax collections and the calculation of the amounts to be paid according to the current exchange value of the mark; the prevention, by means of high tariffs, of the importation of articles of luxury which affects the trade balance so adversely, the prohibition of the use of potatoes and barley to manufacture spirits; the effectual control of the most important articles of food to ensure the feeding of the people. Had this programme been carried out in its entirety the object in view would certainly have been attained. Unfor-

unately, the Social Democracy could not overcome the opposition of the bourgeois parties and the capitalist and agrarian interests. The sole outcome was a regulation which rendered it difficult for private individuals to purchase bills of exchange, but placed no hindrance in the way of big businessmen and pure speculators. Consequently, it remained a dead letter. After a temporary fall the dollar began to mount again. As the Wirth Government shortly afterwards resigned, and the purely bourgeois Government of Cuno went into office, the attempt to stabilize the German exchange by internal measures was wholly abandoned.

Undoubtedly such a stabilization is possible at the present day, provided energetic and systematic measures are taken.

The Socialist Parties and the trade unions advocate a levy on property, the collection of taxes at the source, to bring about an increase of national revenue and the permanent balancing of the Budget, including the reparation obligations. This means that the State should become the owner of 20 per cent or 30 per cent of all undertakings and landed property, by acquiring shares or mortgages. The dividend rights of these shares and the interest upon the mortgages—eventually the sale part of these shares and mortgages—would create a national income, partly in substitution of, and partly as a supplement to, existing taxes, which would enable the printing of notes to be stopped, the exchange to be stabilized, and reparations, reduced to reasonable proportions, to be paid. When one realizes what drastic measures Tschecko-Slovakia has resorted to

in order to stabilize her exchange, the Social Democratic proposal of a similar levy upon property must be admitted to be a practicable and even a thoroughly modest expedient for the improvement of German State finances and German economy. The present opposition is less of an economic than a political nature. Nevertheless, the levy on property is denounced by property owners in town and country as a threat to their most sacred rights. They will move heaven and earth to avoid such a participation by the State in the profits of their undertakings, and as they have at their command unlimited material resources and are able to shape public opinion through the Press, the Socialist proposal has at present only a slight prospect of being realized.

Another and highly valuable proposal for improving national finance and preventing further increases in prices and inflation is put forward by the frequently mentioned Alfons Horten. He shows that the general rise in prices is chiefly due to the increased prices of coal, especially iron and steel. Consequently, price reductions ought to commence with coal and iron. And this may be effected quite simply, by the State acquiring, against compensation, 10 per cent to 15 per cent of the coal and iron production and selling it in competition with the monopolist industries. The former industrialist, Horten, adduces so many striking arguments to prove that the State undertakings could in fact produce cheaply and compel private industry to lower prices that the economic practicability of his proposal cannot be disputed. Not less interesting

is Horten's demonstration that one to two milliards of gold marks could be secured for the State by means of a levy upon the profits of German exports. By means of the saving of expenditure which a reduction in prices would allow, on the one hand, and by means of the increase in revenue proceeding from the levy on export profits, on the other hand, such an improvement in national finances would result, that not only would all proper expenditure be covered, but within two years at the latest there would be available considerable sums for reparations, the total amount of which would, of course, have to be considerably reduced.

Convincing and reasonable as Horten's proposals are, and attractive as their realization must be for Socialists in particular, they have as yet found no responsive echo in Socialist and Trade Union circles. Up to this hour German Social Democracy has been too little interested in the problem of socialistic reconstruction to be able to seize the elementary importance of the proposals of a practical economist like Horten.

Moreover, the whole bourgeoisie would fight tooth and nail against economic fiscal measures, which would seriously curtail its profits and impair the sovereignty of Capitalism.

It appears, therefore, that the stabilization of the exchange and the gradual recovery of Germany's economic life will not be effected by German efforts upon a rational plan, but under external compulsion, and by means of methods which will impose fresh suffering upon the masses of the German people.

Unless France is deaf to all reasonable counsel the German reparation burden will be considerably reduced as part of a general abatement of debts among the Allied Powers. It is probable that Germany will also be granted a long moratorium.

In consideration thereof, the obligation will be imposed on her to create conditions for a cessation of the printing of notes and the stabilization of the mark, by raising taxes and practising economies of every kind, as well as by an internal loan. But, as in Austria, the chief incident of the fresh taxation will fall upon the most oppressed section of the population: the economies will be effected by the dismissal of officials and workers, by the prolongation of working hours and the intensification of labour. Even the burden of the internal loan will be shifted on to the shoulders of the working classes, by indirect means. Likewise the interest on any foreign loan which may be granted to Germany, to enable her to discharge her reparation liabilities and to stabilize her currency, would largely assume the form of a burden upon the middle and working classes.

The foregoing paragraphs were written before the issue of the Paris Conference of the Allied Representatives. The author had anticipated that what is known as the British plan, or something like it, would be accepted, instead of which, France has elected to follow the policy of coercion. All hopes of stabilizing the mark, and putting German finances in order, must be abandoned indefinitely.

Early in January a French military force

appeared in Essen, and during the weeks that have elapsed French control has extended over wider and wider areas, until it was announced that the Ruhr had been cut off from the rest of Germany. This policy of high-handed and brutal interference with the normal lives of a peaceful working population is rapidly dislocating and disorganizing a thriving industrial area, based on an intricate system of communications. An immediate result of the French occupation has been to close the gulf which divided the industrial workers from the employing classes. The farcical trial of the German Ruhr magnates elevated these industrialists into the position of national heroes.

All classes have exhibited a spirit of stubborn passive resistance to the French invasion, and it is to be feared that the enkindling of nationalist feeling in Germany will bring new vigour and fresh opportunities to the monarchist reactionaries.

The German working class and German Socialism are the bulwarks of Democracy in Germany. The invasion of the Ruhr if persisted in will frustrate the peaceful evolution of Germany on progressive and democratic lines. Surely, in these circumstances, the German people have a right to expect the fullest moral support from the great western democracies, and the most positive diplomatic intervention by England and America, who presumably do not wish discredited German Militarism to be replaced in Europe by aggrandized French Imperialism.

All those who prefer peaceful and inter-state development to the unrestrained orgies of revo-

lutionary and imperialist violence must realize that the German working class and German Socialism are the sole trustees of democratic and pacific thought in Germany, and that to weaken their position would signify the gravest dangers for European Democracy and world peace.